What to Think of When Considering Office 365 or Google Apps for Work

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VIEW SUMMARY

Many organizations are considering a move to cloud-based collaboration and communications products, primarily Google Apps for Work or Microsoft Office 365. This analysis describes what collaboration planners should think about when considering such a move.

Overview

Key Challenges

Senior executives are increasingly asking IT leaders to consider cloud office systems and develop a plan to make this move.

IT leaders considering cloud office systems are not completely prepared for the possible pitfalls during migrations or after deployment.

Many of the customers migrating to cloud office face issues with support services, licensing, change management and data and application migration.

Recommendations

Have a plan to move toward cloud office systems or justified reasons for opting out.

Clearly understand the security, compliance and privacy concerns within your organization and identify if there is any real reason forbidding cloud deployments.

Proactively assess the cloud readiness of your integrated applications and underlying network early in the process to avoid any failures or surprises at a later stage.

Investigate support services and supplement the base support with either vendor-supplied or third-party support options.

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Introduction

With Microsoft strongly encouraging its clients to move their email, collaboration, instant messaging, file sharing and document management deployments to its cloud-based Office 365 platform and Google driving its Apps for Work product into the market, interest in cloud office systems has never been higher (see Note 1). IT planners responsible for email, collaboration and communications infrastructure are looking for guidance on developing strategies and deployment decisions for cloud office.

Gartner currently estimates the cloud office market at around 15% of the total office market and expect its adoption to more than double in the next four years. Increased adoption rates have led IT leaders to develop a position on cloud office systems — they must have a plan to move toward them or have justified reasons for opting out.

NOTE 1

CLOUD OFFICE SYSTEMS

Cloud office systems include creative, collaborative, communication, social, coordination and data services, along with APIs that enable integration with other systems. (In the PC era, many of these were called "personal productivity tools.") Microsoft Office 365 and Google Apps for Work are examples. Most buyers start with a subset that includes email. The broad term "cloud office systems" is a generic label. The term "Microsoft Office" refers to a specific range of products from Microsoft.

EVIDENCE

1 Telephone interview with David Heppenstall, CIO, Anglo American in February 2015.
Even if you do not intend to move now, capture the potential drivers and inhibitors for moving to Office 365 or Google Apps for Work. The decision not to move should be as explicit as the one in favor of moving. Assessing the potential impact for such a move improves IT leaders' management of executive expectations, respond to questions about vendor strategy and puts the organization in a better position to understand the implications of a decision that goes either way.

However, preparing for such a move can be a daunting task. Cloud office includes widely used and vital systems such as email and IM, potentially affecting everyone in the organization. These projects inevitably attract a great deal of attention with the organization, well beyond the IT function. The high-level focus areas described in this research outline the most important items to concentrate on when preparing or considering a move to a cloud office system based on best practices from Gartner customers that have already made the move.

Analysis

Check for Potential Showstoppers From Compliance, Privacy, Legal and HR

A check for potential showstopper issues that could block the possibility of moving to a cloud system is a logical place to start. IT leaders considering cloud office platforms should clearly understand the compliance and privacy concerns within their organization. If there is any explicit legal restriction or undertaking forbidding the organization to move data to the cloud, then it might act as a potential showstopper. For example, if your organization has made client commitments to store its data or related data in its own data centers only, or if union agreements forbid storing employee data with a third party, then cloud office will not be viable. Check with the departments responsible for IT architecture, compliance, security, HR and legal for any policies that would make going further unnecessary.

However, in some cases, you might need to question assumptions. Perceptions are not always reality when it comes to compliance and security. IT leaders must be rational while understanding security concerns to distinguish the real reasons from the questionable ones. IT leaders should make sure that it is not just traditional practices or unconfirmed assumptions that forbid a move to cloud office (see "Everything You Know About SaaS Security Is Wrong").

Determine Licensing Questions

As cloud office affects nearly everyone in the organization, licensing issues quickly scale up and have a large impact. Licensing concerns are particularly important for IT leaders considering Microsoft Office 365, although licensing for Google is much more straightforward. Google essentially has two options. The list price for the basic Google Apps for Work is $50 per user per year, while the option to add unlimited storage and extra governance capabilities is $120 per user per year (at nondiscounted list prices).

Microsoft licensing policies are complex, partly because they must accommodate a much larger slate of products and cover more complex deployment and upgrade situations. IT procurement professionals should perform a detailed comparison of the contractual and financial impact of the different options for licensing Office 365 based on individual business needs before making a commitment. (See "Choosing the Right Option When Licensing Microsoft Office 365 in an Enterprise Agreement Just Got Easier.")

Understand Potential Feature Gaps

IT leaders considering cloud office platforms must understand the feature gaps between what they are using now and cloud office capabilities to ensure that the target environment meets their organization’s needs.

Microsoft continuously enhances Office 365 products for improved compatibility with the on-premises version, but there are still considerable feature gaps that IT leaders must evaluate. Google does not have on-premises counterparts to its products, but there can be gaps between the on-premises products currently in use and those offered by Google.

Neither Skype for Business Online (previously Lync Online) or Google Hangouts integrate well with an enterprise-hosted PBX or provide complete enterprise telephone services on their own. There are also considerable differences between SharePoint Online and SharePoint Server 2013. Configuration and customization of SharePoint Online are generally much more limited when compared with SharePoint Server (see "How to Decide Between Microsoft SharePoint On-Premises or Online").

Google Docs can provide an attractive alternative to the more expensive and complex Microsoft Office products, but there are also feature gaps to consider (see "Best Practices for Deploying Google Docs"). End users who are comfortable with Microsoft Office and expect Google Docs to work with cloud office, need to check the compatibility and availability of those applications with cloud deployments. For example, if an organization has third-party applications integrated with its email system, document repository or any other office application, then IT leaders will have to assess its availability in the cloud office system with its respective vendors. Some examples of these add-ons include integration with CMR products, links with document storage systems or task management tools.

When planning to move applications or data from on-premises deployments to the cloud, check whether the necessary functionality is available in the targeted system to support the application logic or data requirements. Limitations on customization in SharePoint Online can make it difficult or impossible to move important SharePoint applications to the cloud. IT leaders might consider a hybrid deployment.
model instead, where the legacy SharePoint implementation remains on-premises while other more standardized workloads move to the cloud. However, IT leaders must understand that moving to a hybrid model introduces complexity, creates more work and can increase expected costs due to adding cloud while continuing to retain and operate on-premises services.

Examine Directory Services for SaaS Suitability

Many organizations migrating to cloud office systems face issues while connecting or integrating their on-premises user directory with cloud services. Cloud office systems work best with flat, simple directories. Complex Active Directory forests will often need to be cleaned up and rationalized before attempting a move to the cloud. IT leaders need to evaluate their directory infrastructures for necessary upgrades and to optimize Active Directory prior to migration, including forest consolidation. See "Migration Considerations for Active Directory."

Linking directories via synchronization is common, but third-party vendors such as Okta, Ping Identity, or OneLogin are options to connect directly to multiple cloud services. Complex environments with multiple sources of truth for identity may need specialized help and products for handling directories and provisioning in the cloud.

 Assess Network Topology and Capacity

Moving to cloud office systems may require additional bandwidth or points-of-presence to accommodate the increased Internet traffic to the cloud office provider's data centers. The move may also decrease or change the traffic patterns into the enterprise data centers or between offices. Hence, it is important for IT leaders to work with the networking team to evaluate the current network capacity in their organizations and assess future requirements. This is a particular concern for applications with significant bandwidth and latency requirements, such as voice, video and bulk file uploads.

The optimum capacity requirements for an organization considering cloud office systems will depend on a number of factors current network topology, deployment architecture or number of users, for example. Usually organizations move from a centralized network architecture Internet access to a more localized breakout Internet access. The inability to meet the network requirements can adversely affect the user experience and undermine the case for a successful migration, while requiring costly after-the-fact remediation (see "Optimize Enterprise Networks to Improve SaaS Performance").

Develop a Migration Strategy

While moving users from on-premises servers to cloud office platforms, it is necessary for IT leaders to create a migration plan for successful deployment. An effective and complete migration plan encompasses various aspects of cloud office:

- **Timing.** When will the migration take place? Are there external factors such as license restrictions or anticipated critical business activities that affect this choice?
- **Big bang or staged migration.** The migration period is always painful. Generally, we find that a quick transition is usually best. For very large user populations (above 5,000 as a rule of thumb), this is impractical, requiring a staged transition.
- **Service provider assistance.** Migration is not always difficult, but it can be a large project. People with experience usually perform these tasks better — but this experience is generally not available in house. For this reason, we find that many organizations engage an external service provider to help with the transition or take complete responsibility. IT leaders should investigate vendor or third-party supplied migration services. If you have a large amount of data and applications currently on-premises and you expect them to be available in the cloud, then migration services become even more important.
- **What data to take.** Migration of email and document data is likely to make up the largest part of the project. You can reduce the scope of the project by limiting the amount of data, to 1GB or all emails over the last six months, for example. Some organizations even start with a clean inbox, moving no email data whatsoever and offering users the chance to forward the messages they need to the new environment. However, most end users insist on taking their data with them, so this is far from a universal practice.
- **Communications plan.** The rollout plan must also include effective user communication informing end users about what is happening and the degree of change they can expect. Strike a balance for the training program and internal communication, offering the briefest of written guides, short videos and in-depth, face-to-face meetings for the constituencies that need it most. The users must be aware of any outage they might experience and the support possible during the outage.

Investigate Support and Migration Services

Many customers are learning that even though cloud office is SaaS, support services are still a critical component. Microsoft and Google both include basic support as part of their subscriptions, but the services included can be inadequate for enterprise organizations. Customers have reported communication and support issues with both Microsoft and Google and their inability to escalate problems effectively.

IT leaders opting for cloud office systems should consider supplementing the base support with either premium vendors-supplied or third-party support, especially with large-scale deployments (above 5,000 seats), or if planning extensive integration or customization. This supplemental support must have the ability to bypass the first level of support and provide direct contact to Level 2 support engineers to expedite problem resolution. In addition, the IT leaders must negotiate clear and specific service levels before signing the contract (see "Negotiate Support Services Before Buying Office 365").
Considering successful migration to a cloud office platform is critical to success. As well as the possible pitfalls during migration, IT leaders should investigate vendor or third-party migration services. If you have a large amount of data and applications currently on-premises and you expect them to be available in the cloud, then migration services become even more important.

### Determine How Cloud Office Capabilities Can Improve Employee Agility and Innovation

As the work involved in such a broad project is often daunting, most organizations focus on a straight migration and are satisfied when they can offer the same capabilities from the cloud that they had previously from their on-premises deployments. To reduce risk and complexity, they avoid providing new features like Google+ and Hangouts or Delve and Yammer from Microsoft, declaring them out of their scope. IT leaders may intend to explore how these new capabilities fit into a larger digital workplace initiative once they have completed the migration, but never get around to it (see "Scenario: Enabling End Users in the Digital Workplace").

It is rarely effective to push products at employees and hope they find a way to use them, so holding back new facilities until there is a coherent strategy for how they will improve effectiveness can make sense. However, merely achieving parity with the previous on-premises situation will not provide very much value to the organization. IT leaders should make concrete plans for how cloud office capabilities can support a digital workplace initiative. For example, if the organization has identified better access to information as a goal, then it should consider using Power BI or Delve (see "Microsoft Brings Smart Machines to the Cloud Productivity Mix With Delve"). If employees have identified easy real-time communication as desirable, then consider deploying Google Hangouts.

### Case Study

Anglo American is a mining company with its headquarters in London, U.K. With group revenue of around $31 billion, the company has a globally diverse workforce with 151,200 people worldwide. It has successfully migrated its on-premises Microsoft Exchange servers across its four datacenters worldwide to the Exchange Online component of Office 365. This move is part of its long-term strategy of moving away from on-premises servers and reducing complexity.

Anglo American had around 35,000 mailboxes running on Exchange 2007 that the company wanted to migrate. An effective migration strategy and communication with end users played a pivotal role in successful implementation. The IT team had to set up an interim Exchange 2013 environment to move the mailboxes from Exchange 2007 to Office 365. The company also did a lot of preparation work, which involved cleaning up mailboxes, deleting old and unnecessary data and analysis of the user base to segment users. The users were requested to get their inboxes to less than 250MB before migration and to archive locally any other data folders (such as PSTs). The company’s implementation partner HCL also helped in the migration, although the main lead was the in-house project team. The company kept end users informed and engaged by promising improved services, mailbox size and mobility to gain buy-in.

As a mining company, Anglo American has users in remote locations and had to carefully plan its bandwidth and routing requirements with its service provider, BT. It also had to keep a small Exchange server presence on-premises for a few integrated applications that could not be moved to the cloud. The total migration time was around four months. The company did not encounter many compliance and security issues as it had dealt with them earlier when centralizing its HR processes.

According to Anglo American CTO, David Heppenstall, the migration was a smooth process without many obstacles, except for the complexities of Microsoft licensing. Overall, the project ended up being less expensive and with lower total cost of ownership for the company, resulting in it now considering moving to Skype for Business Online and SharePoint Online.¹

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