

Lowering a Firm's Technology Total Cost of Ownership by Migrating to Microsoft Office 2010 from Microsoft Office 2003 and Older Versions

By Randall Farrar

Nearly one-half of law firms in the United States plan to increase their spending on information technology (IT) in 2010 says a recent study from CompTIA, the trade association for the IT industry. In these uncertain economic times, investing in the right technologies can make the difference between maximizing profits and creating a monetary black hole. In this article, I want to show how migrating to Microsoft Office 2010 will lower the total cost of ownership for your firm by investing in the future, rather than saving on short-term costs by remaining on an older version of Microsoft Office, such as Microsoft Office 2003.

Total cost of ownership refers to the direct and indirect costs associated with owning and using a technology component throughout its lifecycle. This would include acquisition, installation, licenses, maintenance, repair, efficiency, personnel hours, end-user training and more.

Investing in the right software can certainly optimize a law firm's performance and productivity, and software built for present and future technologies will yield better results from a total cost of ownership perspective. Often firms will linger on an older version of software to save on technology costs. Though this may be justified as a short-term strategy, it should not be considered when the older version causes the firm to be at a competitive disadvantage in terms of higher long-term costs. If your firm is currently using Microsoft Office 2003 or an older version, and you plan to defer a migration to Microsoft Office 2010, I believe you are only increasing your firm's total cost of ownership going forward.

Microsoft Office 2010 Abandons the Past

Microsoft Office 2010 has transmuted its user interface from *asynchronous* to *synchronous*. What do I mean by the *synchronous* nature of the new Microsoft Office? I mean that commands and features are contextual to what the user is doing. For example, if a user is working in a Word table, the commands associated with the features for tables are dynamically available to the user, via a ribbon. In older versions of Microsoft Office (Microsoft Office 2003 and older), table features were buried in a menu and a toolbar. The user now doesn't have to know where those features are or search for them; they are just "there."

By replacing toolbars with ribbons, Microsoft Office 2010 presents the user with a contextual interface that provides functionality based on the context in which the user is working. The ribbon user interface provides the user with graphical representations of document control features grouped by functionality. The Ribbon may also contain tabs to expose different sets of

features, eliminating the need for different icon based toolbars. This *synchronous* nature is propagated throughout all the newer Microsoft Office applications.

Microsoft Office 2010 New File Format

From a technical point of view, the differences in Microsoft Office's new file format from the old binary format are on a magnitude such that it cannot be called an improvement in a species, but rather the creation of a new genus. The new file format is XML (Extensible Markup Language). This new file format can be accessed without using the intrinsic Microsoft Office application. Microsoft Word (or Excel and PowerPoint) is no longer needed to create or edit a document. This ease of file access means that document content and metadata can easily be viewed and changed. The new XML file format is smaller, thus making it a more efficient digital format for web or cloud based applications.

Even though the new Microsoft Office 2010 allows files to be saved in the old binary format, in my opinion, the new format should be unconditionally embraced. To hold on to the old binary format is only placing your firm in a precarious position of future collaboration issues with your clients and cloud based applications.

Microsoft Office 2010 Backstage View

When Microsoft released 2007, one of the user interface jolts was that the "File" menu was gone. The one common interface element in almost every windows application was no longer there and users were faced with learning how to work with files (Save, Open, Close, Print, etc.) using the Office button. I believe Microsoft realized this mistake and gave us the Backstage View in Microsoft Office 2010, which is essentially the "File" menu brought back and integrated into Microsoft Office 2010.

Microsoft Office 2010 Co-Authoring Features

One of the significant new features of Microsoft Office 2010 are the new co-authoring features available in Word 2010, PowerPoint 2010, OneNote 2010 and the Excel and OneNote Web Apps. The co-authoring features require either a Windows Live account or Microsoft SharePoint Foundation 2010. Co-Authoring lets users edit a document at the same time (synchronously) or at different times, with other collaborators. With co-authoring in the past, users trying to work synchronously on a document would be locked out from editing if another person was working on it. When a document was sent out for review to multiple collaborators, the document would often come back with edits from each collaborator, leaving one person to compile everyone's changes. Before co-authoring, version control was a nightmare.

Decreasing the Total Cost of Ownership with Microsoft Office 2010

The total cost of ownership components can be classified in four categories that merit consideration before deciding to migrate to Microsoft Office 2010:

- Capital Costs - software, IT support and network infrastructure
- Technical Support Costs – installation, hardware and software deployment, help desk staffing, system maintenance
- Administration Costs - financing, procurement, vendor management, asset management
- End-user Operations/Support Costs - the costs incurred from downtime, end-user training, end users supporting other end users and internal IT technician support

Considering all of these factors, migrating to Microsoft Office 2010 provides a lower total cost of ownership than remaining on Microsoft Office 2003 or an older version as follows:

Capital Costs- Often a firm will have a Microsoft Volume Licensing agreement so the cost of upgrading Microsoft Office will be minimal. By upgrading to the new genus of Microsoft Office now will make it less problematic to upgrade to future versions of Microsoft Office.

Technical Support Costs- On April 14, 2009, Microsoft retired mainstream support for Microsoft Office 2003. Under extended support, firms can sign up to get paid support or pay for help on a per-incident or hourly basis. Firms remaining on older versions of Microsoft Office will increase their support costs.

Administration Costs – Along the same line as technical support, the amount of time it takes to administer old and new Microsoft Office integrated applications, such as document management systems and document automation solutions will require a growing number of hours over time.

End-User Operations/Support Costs – The *synchronous* nature of Microsoft Office 2010 is more intuitive than Microsoft Office 2003 or older versions, making long-term costs of user support and training lower. Additionally the old binary format will become a burden over time as support for this format will decrease with collaboration and cloud based applications. The new Microsoft Office XML file format is the future.

Legal software vendors and Microsoft will continue to invest in and develop application solutions for Microsoft Office 2010, leaving support and solutions for older versions of Microsoft Office behind. The total cost of ownership of migrating to Microsoft Office 2010 will significantly reduce costs over time. To linger on Microsoft Office 2003 or an older version will only place a firm in an ongoing technology and support cost nightmare as well as a competitive disadvantage.