

WHITE PAPER

Open Text and Microsoft Office SharePoint Server: The Road to Greater Productivity

Sponsored by: Open Text

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EXECUTIVE SUMMARY

IDC has seen strong interest and customer adoption of Microsoft Office SharePoint Server 2007. Business users have taken to the product in droves as it provides a collaborative environment for creating, managing, and sharing documents. SharePoint team sites tend to mushroom in organizations, which creates an operational challenge to ensure that content on these sites is effectively managed and protected.

Our research has also shown that organizations are planning to expand their SharePoint deployments to reach a broader set of users, and to integrate more enterprise data sources into the SharePoint environment to enable centralized access to a larger volume of information. As SharePoint deployments grow in size and strategic value, the demand for solutions that enhance and extend the capabilities of SharePoint will increase.

This White Paper focuses on the solutions and frameworks that Open Text has developed to address this market need. These solutions augment and extend the SharePoint environment so that content from SharePoint sites can be structured and managed, connected to other organizational content resources, and incorporated into industry- or process-based content applications. The paper also discusses Open Text's strategic alliance with Microsoft and provides examples of how companies are implementing the technology to address enterprise information management challenges.

SITUATION OVERVIEW

Content Management Market Trends

IDC continues to see strong growth in the content management software market fueled by the ongoing need of organizations of all sizes to better manage their unstructured data and better leverage content in the context of their key business processes. Regulatory compliance and the need to manage risk continue to be important drivers—particularly for large firms subject to government or industry regulations, public reporting guidelines, and board-mandated internal policies.

At the most basic level, people need the ability to store, share, and find their business documents. Organizations are struggling with information management issues, and with how to manage content throughout its lifecycle. Many organizations have implemented content management systems on a departmental level or to satisfy the requirements of a particular use case. Extending these systems to touch a wider set of users presents challenges in terms of usability. To gain the maximum benefit from investments in technology, organizations need to ensure that they enable users with different skill-sets and interaction models.

IDC sees a continuing trend toward "invisible content management" which integrates content management systems behind the scenes into the familiar and ubiquitous desktop products that people use every day. This brings more employees into the content management fold by incorporating their locally stored content into the more structured overarching systems and processes for managing content, and by improving employee access to the organization's content repositories to reduce the time they need to spend searching for relevant information. Integration with preferred desktop applications for collaboration, authoring, and email is a key enabler so that people can use familiar tools and incorporate their organizations' best practices for content management within the context of their existing work style.

Another trend is the growth of content applications that leverage content management systems to provide line-of-business (LOB) and vertical content solutions. These applications make intelligent use of unstructured information to automate a business process. Examples of this trend are applications that address compliance management, case management, and contract management.

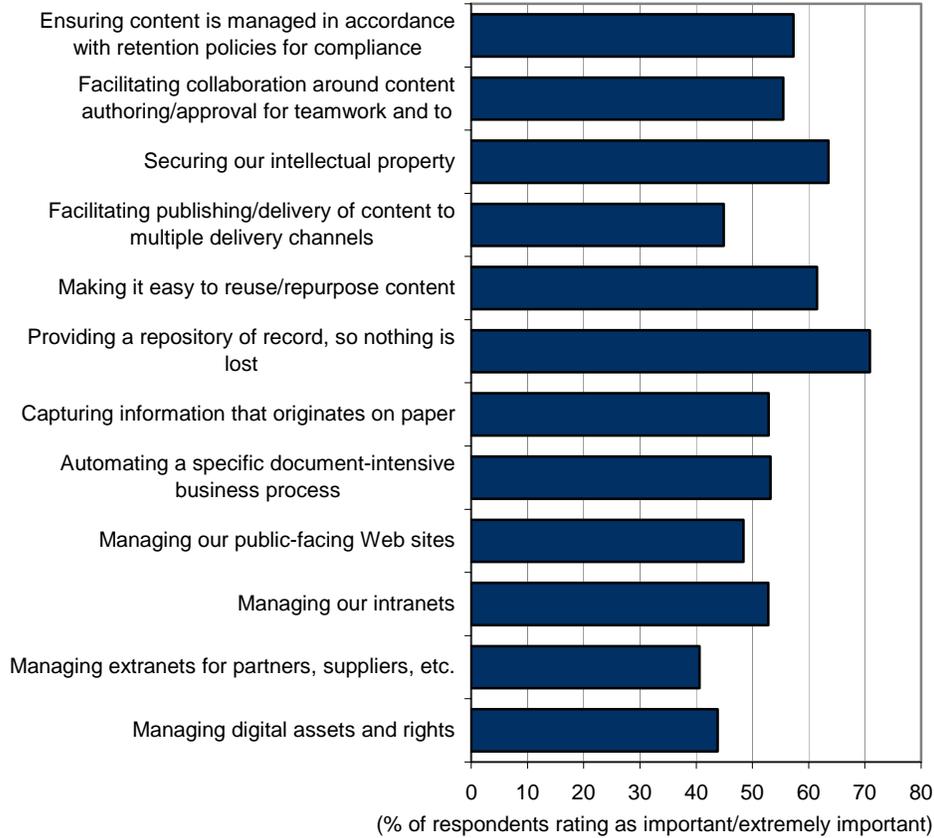
Business Drivers for Content Management Solutions

In a recent survey conducted with 436 members of IDC's Enterprise Panel 46.3% agreed or strongly agreed that managing content is a tremendous challenge for their companies. In terms of what is driving their purchases of content management solutions, the survey found that the leading motivator was providing a repository of record (see Figure 1) for more than 70% of the respondents. The next two leading responses were securing intellectual property (64%) and making it easy to reuse/repurpose content (62%). Adherence to retention policies for compliance also ranks high, as well as drivers relating to improving the collaboration around content creation and making content available through multiple delivery channels.

FIGURE 1

Importance of Business Drivers for Buying Content Management Software

Q5. Please rate the importance of each of the following business drivers for purchasing content management software for your company on a scale from 1 to 5, where 1 is 'not at all important' and 5 is 'extremely important':



n=407 to 418

Source: October QuickPoll Microsoft Office 2007 and MOSS 2007 Adoption Survey, IDC's Enterprise Panel, October, 2007

Microsoft Office SharePoint Server

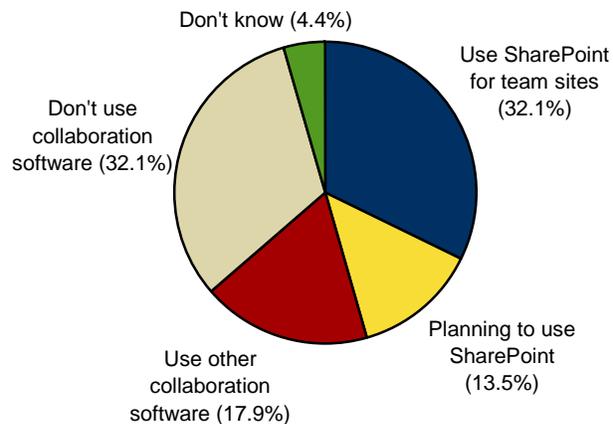
Since its introduction in 2001 Microsoft Office SharePoint Server has gained widespread usage in building team collaboration sites and portals typically centered on content or document collaboration for workgroups. With the release of Microsoft Office SharePoint Server 2007 (MOSS 2007) in late 2006, the product has expanded beyond its portal roots to include capabilities for enterprise content management, business intelligence, enterprise search, and electronic forms creation and management.

Recent IDC research shows growing adoption of Microsoft Office SharePoint Server as a collaboration platform. In our October 2007 survey of IDC's Enterprise Panel, 46% of respondents were committed to SharePoint, with 32% already using Windows SharePoint Services or SharePoint Server, and 14% planning to implement the technology (see Figure 2).

FIGURE 2

Current Use of Microsoft SharePoint for Collaboration

Q2. *Is your company using Microsoft SharePoint for collaboration, i.e. team sites?*



n=436

Source: October QuickPoll Microsoft Office 2007 and MOSS 2007 Adoption Survey, IDC's Enterprise Panel, October, 2007

IDC has also found with surveys of organizations that have deployed SharePoint that future plans call for expanding its footprint by adding more users and integrating more enterprise data sources into their SharePoint environment. Among the 300 organizations that participated in our July 2007 *Microsoft SharePoint Server Ecosystem and Customer Usage Trends* survey, SharePoint integration with content management systems was expected to rise from 14% to 21% for large (1,000+ employees) firms. This points to the increased role SharePoint is taking as a collaborative workspace for accessing and working with business information, and the realization that additional functionality is required to employ SharePoint as part of a larger overarching enterprise content management strategy. Respondents were also asked, given the new functionality in MOSS 2007 that could overlap with existing applications, whether they planned to replace any existing non-Microsoft software applications, and the answer was overwhelmingly "no" (97%), pointing to the view of SharePoint as a complementary technology.

Recognizing the need to improve connections between SharePoint and enterprise content management systems, the IDC survey findings point to a stepped up effort to enhance the content flow among these different repositories. Organizations are pursuing these SharePoint integration strategies for a number of business reasons:

- ☒ To extend organizational practices for information management and retention to a larger population of the employee base by bringing capabilities down to the desktop.
- ☒ To improve records management, compliance and ediscovery practices, and reduce costs, by moving content stored on local file systems to secure and compliancy-enabled content repositories.
- ☒ To leverage the Microsoft SharePoint content management infrastructure to build industry-specific or process-centric applications.

These strategies are driven by the need to improve the management of information across its lifecycle. Organizations need good collaborative technologies to facilitate the process of content creation, providing centrally accessible workspaces where people can create, revise, and refine content. When the content is in its final form, it needs to be stored in a repository of record, a place where everyone who needs to consume that content can find it efficiently. Finally, as content ages, organizations need an archival solution to manage content that must be retained for business and/or compliance reasons. The needs around content management processes and the participants involved are different at each of these stages in the content lifecycle, and so are the tools. And yet the flow of information between these stages in the lifecycle needs to be seamless.

IDC believes that IT leaders in large organizations are actively seeking solutions that will help them manage content through its end-to-end lifecycle while leaving them free to choose best-of-breed collaboration, management, and archival solutions. Delivering this model of end-to-end lifecycle management requires good interfaces between the different systems, integrated metadata management, and strong search capabilities to access information no matter where it is stored.

Impact of Microsoft SharePoint on the Enterprise Content Management Market

Microsoft is not an entirely new entrant to the content management market as it previously offered the standalone Microsoft Content Management Server. The addition of enterprise content management functionality within MOSS 2007 created a stir in the market as it heralded a strong product with content and records management services that provide an alternative to other products that compete in the enterprise content management space. While in some aspects a competitor to those players, MOSS 2007 is also proving to spur greater visibility of the value of content services and introduce the benefits to business users who have never been exposed to enterprise content management.

The wide use of SharePoint sites to manage content on the desktop has provided business users with a ready means of collaborating and easily incorporating Microsoft Office content elements, such as Word, Excel, and PowerPoint files into an organized and accessible workspace. These sites tend to grow to large numbers — often without the knowledge or consent of the IT staff — as a grassroots solution for document- or process-based collaboration. While end users have taken to employing SharePoint sites in large numbers, the rapid growth of these sites has caused concern for some organizations because they want to have better insight into what information is contained within them. This is especially true for organizations that are subject to regulatory compliance that must have insight into how corporate data is being disseminated and stored.

This dichotomy has spurred a lively ecosystem of solutions that build on the strengths of SharePoint and provide integration and applications that enable business users to continue taking advantage of the SharePoint document library services and a familiar user interface, while incorporating the content they create into a comprehensive enterprise content management strategy. To advance the availability of these solutions to the market, Microsoft has been aggressively pursuing partnerships with ECM vendors to extend SharePoint's core content management features to add functional capabilities such as support for digital asset management, specialized records management, image capture, and the development of vertical solutions on top of the SharePoint platform.

Open Text's Partnership With Microsoft

Open Text and Microsoft entered into a strategic alliance in 2005 to provide optimized enterprise content management solutions for the Microsoft platform. Open Text is a Microsoft Gold Certified Partner, and in 2006 was named Microsoft Global ISV Partner of the Year.

Open Text has provided records management and archiving solutions for previous versions of SharePoint, but with the advent of MOSS 2007 the company has made the strategic decision to deeply integrate with the core infrastructure capabilities, which allows them to offer a broader, deeper set of solutions. The advent of core content services contained within SharePoint enables Open Text to take advantage of

that infrastructure to create vertical solutions, and connect SharePoint deployments to enterprise-wide content management systems.

Open Text has formed a line of business solely devoted to the Microsoft platform, developing not only applications for SharePoint but also applications such as Customer Information Management; an Outlook/SAP integration, as well as email management and archiving. With a newly opened office on the Microsoft Redmond campus, Open Text is better able to coordinate development with the product teams and align itself with Microsoft's marketing initiatives. Together, Open Text and Microsoft are engaged in multiple go-to-market initiatives that target both vertical and horizontal market segments. Open Text is also building up its partner channel to help them deliver these solutions to the market.

The relationship between the two companies is mutually beneficial and also benefits the market at large. SharePoint has been a phenomenon in the market with its rapid growth and Microsoft benefits from out of the box products and solutions that expand the value of SharePoint deployment in enterprise content management scenarios. Open Text benefits by delivering the value of its content management solutions to a wider set of users. The market benefits with solutions that bring together the discipline and structure of enterprise content management concepts with the underlying infrastructure and an easy to use front end that enables business users to work in their preferred environment, while content management activities take place behind the scenes.

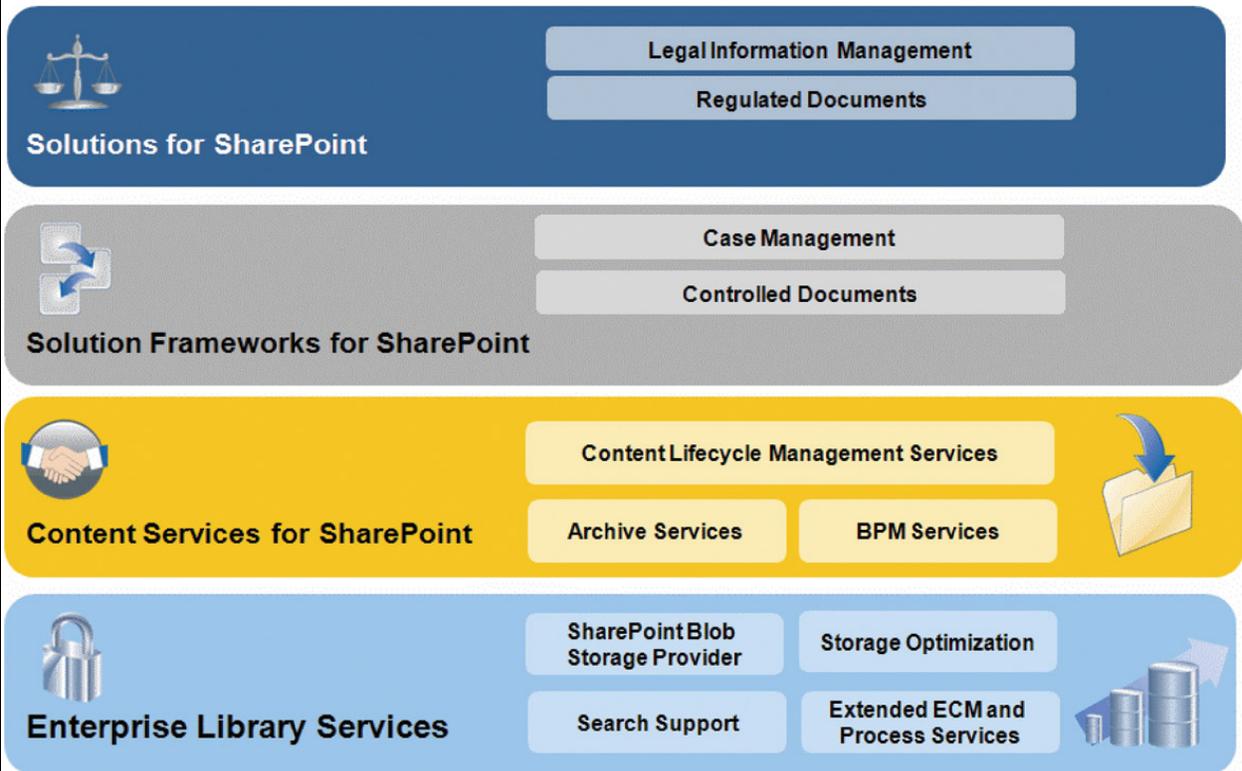
Open Text's Integrated SharePoint Solutions

Open Text Corporation, a leading provider of enterprise content management solutions, has its global headquarters just outside of Chicago IL, in Lincolnshire. With nearly \$700M in total revenue in calendar year 2007, Open Text is the largest independent vendor in the content management market. The company's products and industry-focused solutions enable organizations to better manage and leverage information throughout their operations.

Open Text's comprehensive ECM offerings provide a full range of capabilities — including document management, records management, Web content management, digital asset management, archiving, storage and search — built on a framework of content services that allows integration with multiple data sources including ERP and CRM systems, and surfaced in multiple client interfaces to fit the requirements of the end user. Through its strategic alliance with Microsoft, Open Text is delivering solutions and frameworks that augment and extend the SharePoint environment so that content from SharePoint sites can be centrally structured and managed, connected to other organizational content resources, and incorporated into industry- or process-based content applications.

FIGURE 3

Overview of Open Text's SharePoint Offerings



Source: Open Text, 2008

Open Text's solutions leverage and augment the SharePoint infrastructure, adding transparent content lifecycle management services that apply the necessary classifications and governance to content so that it adheres to an organization's policies for information discovery, records management, and archiving (see Figure 3).

Open Text Content Services for SharePoint enables content in SharePoint repositories to be mapped, managed and stored in the Open Text content repository for incorporation in multiple information initiatives. The product suite provides tools that enable administrators to set up rules for archiving and classifying SharePoint documents in accordance with a company's record keeping policies. This solution targets the number one business driver identified in our October 2007 survey — "providing a repository of record" (see Figure 1). Business users create documents and collaborate using the content management capabilities of SharePoint 2007 and their completed documents are then stored in the appropriate manner in the Open Text repository backend. The product supports archiving on the individual document

level and also enables entire SharePoint sites to be archived as a whole, preserving the integrity of the site structure. Once archived, users can continue to access documents and sites from within the SharePoint interface. Documents appear on the site page, but the physical storage takes place in the Open Text repository. Search services provide the user with the capability to search across both SharePoint document libraries and Open Text repositories from within SharePoint. Open Text Content Services for SharePoint augments the SharePoint collaboration environment with long-term lifecycle management functionality and in place records classification while optimizing the manageability of large SharePoint environments.

Open Text Case Management Framework, SharePoint Edition, enables developers to build case management solutions on top of the SharePoint infrastructure. The framework provides utilities for extending the SharePoint platform to enable creation of SharePoint sites and case management applications that match an organization's business model. It includes facilities such as automated site creation through InfoPath forms or data feeds that speed up implementation and reduce the costs of deployment. The Case Management Framework uses SharePoint business logic and stores information in the SharePoint repository while taking advantage of the feature set offered by the Open Text Content Services layer. The Case Management Framework closes the loop to structure the lifecycle of information through automatic site and content structure generation that automates the incorporation of metadata and record structures to content at the point of creation. This structure is used to drive lifecycle management business logic without visible user intervention.

Open Text Legal Information Management, SharePoint Edition, is built on the Open Text Case Management Framework and is an application that specifically addresses the needs of the legal industry to manage case, client, and matter information in a structured manner. Using a template-driven interface, which employs Microsoft InfoPath forms as the front end, an employee can fill in information about a new case matter and have the system automatically generate a SharePoint site that will house all the applicable documents for the case matter, and apply all the appropriate tags, metadata, and classification definitions for the case documents that live on the site. The SharePoint experience is tailored to work the way lawyers work, with their preferred matter sites available to them on a subscription basis, and reporting provided through the SharePoint report center and Excel Services reports. Open Text Legal Information Management, the first in a series of Case Management solutions planned by Open Text, is an innovative solution that utilizes collaborative business logic implemented in SharePoint coupled with lifecycle management functionality provided by Open Text Enterprise Library Services.

Open Text Regulated Documents, SharePoint Edition, manages all the document lifecycle phases, from creation through archiving, for companies in the pharmaceutical and life sciences industries that must adhere to compliance regulations regarding how these lifecycle processes are conducted. It leverages the features of Microsoft Office Business Applications and SharePoint, applying metadata management and automated workflow processes with InfoPath forms that adhere to compliance rules. Template-based metadata capture, content type driven metadata display in Office client ribbon bars, implicit records classification and "on document"

workflow control are examples of features that deliver rich content services natively to the SharePoint interface.

Open Text Enterprise Library Services for SharePoint serve as the content backend technology that manages content from SharePoint, as well as content stored in file systems, email systems, SAP systems, and other enterprise applications securing content for long-term archiving and storage. Enterprise Library Services keep SharePoint content secure and auditable, provides intelligent disk storage and makes it available to other connected systems for search and discovery. It also handles the metadata and taxonomy definitions for content, as well as providing consistency in the markup and tagging of documents.

Implementation Scenarios

The Open Text SharePoint solutions can be implemented to address numerous information management challenges. The most prevalent business use cases IDC found through its research include:

- ☒ Lifecycle management for SharePoint content. For organizations that need to manage content on SharePoint sites in accordance with compliance policies, implement these controls enterprise-wide, and establish best practices for site creation and retention. This provides consistent, compliant SharePoint deployments while reducing operational costs related to the administration and infrastructure required to support these sites.
- ☒ Industry-specific content management requirements. For organizations that require a solution that provides industry-specific functionality, such as FDA 21 CFR Part 11 and DoD5015.2 compliance with a rich set of out-of-the-box capabilities that reduce implementation time and costs.
- ☒ Management of complex, compound content and data structures within Microsoft Office SharePoint. The need to manage compound documents is typically found in all case management scenarios. Examples include: claims management (insurance), legal case management (legal), immigration application (government), new drug application (pharma), and new product development (manufacturing).
- ☒ Extending the value of enterprise content management investments. For organizations that have implemented content management on a departmental or specialized usage basis and want to extend the benefits to a wider volume of content and a broader group of users.

The following customer vignettes provide some examples of how organizations are employing the Open Text solutions to address their information management challenges.

Oil Company: Building a Next-generation Information Infrastructure

As part of a global information management initiative, a multi-national oil company is implementing a major initiative that will govern how its business content will be created, managed, and stored in accordance with industry regulations and the laws of the countries in which it conducts business. The project is driven by the business need to improve compliance practices and to reduce the infrastructure costs associated with housing millions of documents in desktop and networked file systems across the company's 100 business locations. The combined volume of this information consists of approximately 900 terabytes of data.

The company, a longtime user of Open Text's Livelink ECM — Enterprise Server, adopted SharePoint as its standard collaborative environment. The solution will employ SharePoint as the front-end application and primary access point for all enterprise information. Employees will maintain current, or active, project work within SharePoint sites going forward. When an employee creates a new project site, the classifications and retention rules for document types will be automatically generated for them. These rules will drive the automated storage of documents in Open Text's Enterprise Library Services (ELS), which will provide an integrated view into the company's archived information. This two-way connection is enabled with a Web part that allows content in Livelink, or any of the other content repositories connected to the ELS, to be searched and viewed from within SharePoint. With the solution in place, employees will work in the easy to use SharePoint, their content will adhere to the appropriate rules for retention, and the company will reduce its costs with a structured system that centrally manages all business information.

Law Firm: Centralized Access to Case Information

An international law firm is implementing an integrated solution that combines Microsoft SharePoint with Open Text's Legal Information Management solution to provide its employees with central access to all business information. The legal field is very document-centric and most lawyers at this firm spend their day working in Microsoft Office Outlook and other Microsoft Office applications. Documents related to cases and communication with clients must be handled in accordance with standards for confidentiality, and all information must be managed through defined lifecycles. Adding to the complexity, attorneys and staff need to collaborate from multiple locations around the globe, requiring access to the same information.

Building on its investments in SharePoint and Open Text technology, the firm will have an integrated system that aggregates case information as well as other business information sources, such as customer data from its CRM system and financial data, and makes it all available through the SharePoint interface. Previously, the staff would have to go through several applications to find the information they needed. Now information is searchable through SharePoint, role-based security enforces policies for information access, and integrated workflow supports the firm's business processes. The solution delivers the firm a new level of productivity to better serve its clients, while also providing the compliance structure it needs to reduce risk exposure.

VENDOR CHALLENGES AND OPPORTUNITIES

Open Text has pursued an aggressive acquisition strategy over the past several years to assemble a comprehensive content management suite and claim a leadership position as an independent content management vendor. The company has developed a strong set of solutions and applications that delivers rich functionality to address line of business or vertical-specific enterprise content management requirements.

Its SharePoint integration strategy provides a new line of products that enables it to deliver an innovative value add for its existing customers and expand its business with products targeted at the 85 million customers that run SharePoint.

- ☒ The challenge for Open Text lies in positioning the benefits of the combined solution to its existing customer base. Some may still view SharePoint as being competitive with Open Text technologies, so the company will need to continue to devote efforts to illustrate how the companies' technologies complement and extend each other.
- ☒ Open Text has offered connectivity with Microsoft Office Outlook and Microsoft SharePoint for several years, as have many of its competitors. By providing solutions and frameworks that are built on top of the SharePoint platform, Open Text has a good opportunity to attract new SharePoint customers that require content management capabilities beyond those offered by Microsoft. This approach enables organizations to build on their current investments, both in Microsoft technology and existing development resources, to build out content solutions that address domain and process requirements. To take advantage of this market opportunity, Conclusion

The growing volume of content that exists in organizations presents challenges both in terms of organizing it so that it can be discovered and used by employees, and the strain of the high storage expenses to house it. For many employees, the default storage option is the email system or network file folders. The fragmented nature of information management, along with governance concerns, is driving many organizations to implement new content management strategies.

Enterprise content management deployments often grow from a departmental level and hit user adoption barriers when they scale to a wider set of users. It is important for organizations to have a central system to maximize control, but to gain the most value people need a productive and intuitive means to participate in the process.

Customer adoption of Microsoft Office SharePoint Server 2007 has been very swift. The success of the product in the market, and the growth of SharePoint sites in organizations, has created an operational challenge to effectively manage and archive the information contained in these sites. IDC believes that the market will turn to integrated solutions, such as those offered by Open Text, to better control and effectively leverage content on SharePoint sites, and to address the cost and infrastructure challenges that wide-scale SharePoint deployments present.

IDC believes that integrated SharePoint solutions such as those offered by Open Text:

- Provide organizations with a cost-effective means of leveraging their existing enterprise content management infrastructure to tap into the content that exists on SharePoint sites
- Drive new enterprisewide content governance initiatives
- Lower internal costs by implementing greater controls around the retention of content on SharePoint sites
- Add structure and control to a greater number of information assets
- Drive higher ECM adoption rates

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