Office12 Vision

March 2004

Introduction

Our business is in the midst of a broad change in customer attitudes and perceptions. These perceptions can be summed up in two words: *good enough*. There is a widely held feeling among our customers that our product already contains all the tools and functionality one could ever need for information work. The perception is that we are *done*. The evidence of this perception is all around us. We see it in the low early deployment rates for Office 2003. We see it in the increasingly challenging sales conversations we have with our customers. It is the basis of IBM's *structured task worker* campaign around alternatives to productivity software. It is what permits subset clones of our product like OpenOffice to garner undue attention.

This document describes the guiding principles for a new release of Microsoft Office that will show that *good enough* really isn't good enough for anyone. This document describes a plan, not a feature list. It describes the spirit of the product, and provides a framework for deciding where and how we will apply our efforts for the release. Office12 will be an expression of this vision that builds on the skills and creativity of everyone on the team. Office12 is a release of the entire Office System including all of the suites, applications, servers, and services.

With Office12, our overall goal continues to be advancing the state of the art for productivity across the broadest set of tools on the market. With this release, we need to not only build a dramatically better product, but also establish ourselves as the information worker productivity experts in the eyes of our customers. Our users should view us as their productivity advisers. We should be the ones they turn to in order to learn how best to conduct 21st century information work. We can only be successful if we deliver on measurable productivity enhancements, and we need to build our products and services in a way that allows users to achieve this. As the traditional boundaries of information work continue to blur (e.g. between paper and online, between the phone and the PC, etc.), helping our users get the most out of our tools is the clearest demonstration of customer value we can achieve.

The vision for Office12 is as follows:

Office12 is a system of productivity applications, servers, and services that provides users with a strikingly new experience for information work, enabling individuals and organizations to express themselves in innovative new ways and providing businesses with tools to dramatically improve the effective use of their information.

In this release, we will also pay special attention to making sure that Office12 is a great Longhorn application, showcasing the key benefits of the next version of Windows.

We will deliver on this vision by focusing our efforts on the following vision areas:

- Redefining the Office Experience
- 21st Century Documents
- Effective Teams and Organizations
- Manage Your Time, Work and Relationships in One Place
- Unlock and Incorporate Business Information
- Breakthrough Quality and Satisfaction

Business Foundation

As a business, Office has been a phenomenal success. We can lay claim not only to creating a very successful business, but also to contributing to major advances in the productivity of the global workforce. The impact Office has had on productivity has been dramatic, to a point where our products are seen by many as necessary tools for efficient information workers.

We face significant challenges, however. Our business is at risk because of the widespread use of our software, our customers' high overall satisfaction with Office, our challenges in reaching customers with our message, and the general shift in IT spending. It is more important than ever that we build a release of the product that is solidly rooted in a strategy that will address our key business challenges and significant customer needs, in addition to product and technology challenges.

The following business goals serve as the foundation for this vision:

Addressing Competitive Challenges

We have a broad new set of competitors in the desktop productivity application category, as well as an information worker infrastructure challenge from IBM and Oracle in the portals, collaboration and content management categories. The StarOffice suite (and it's free alter ego OpenOffice), the Ximian Evolution Outlook "clone", the Gnumeric spreadsheet (part of the GNOME desktop), and a host of other open source software projects are aimed squarely at replacing Office. At the core of this threat is the *good enough* argument, which is that the lesser functionality of these products is sufficient to address the needs of a majority of today's Office users, cleverly deemed "structured task workers" by IBM and others. To date our response to this has been to focus our messaging on the *Office System*, i.e. on the pieces of Office that extend beyond the core applications where we are being challenged. While it is true that today's Office is a much broader product than these competitors, there are users for whom the argument is not compelling because they truly *do* limit their usage of Office to a few of the core applications. For these users we will provide an Office upgrade that clearly extends the value of the core tools and distances our applications from those of our competitors. In order to be successful, we need to move beyond the IT manager or decision maker who is convinced that they know better than the end-users in dictating the good enough alternatives and broadly demonstrate must-have end-user excitement.

Getting Closer to our Customers

Our relationship with customers is the foundation of our business. If we lose their trust and loyalty, or lose sight of their needs, our business will suffer tremendously. As a company we are struggling with low customer satisfaction brought on by a broad range of issues ranging from security flaws to ongoing challenges in the reliability of the PC. We are in a crisis. With Office12, we will make re-connecting with our customers a top

priority. We will double down on our efforts around security, quality and privacy, and continue to build on the amazing customer feedback mechanisms we built in Office 2003, closing the loop so that customers experience the power and value of the connections as clearly as we do. By far the greatest innovation in connecting with customers has been our Watson-everywhere work and this will continue with more specific measures of success for Office12.

Clearly Demonstrating "Newness"

The common feeling among our customers that Office is *good enough*, or worse yet "done", is exacerbated by the fact that they have a difficult time seeing the difference from one version of Office to the next. Our basic philosophies around visual design, user interaction models, and application output have been conservative in a desire to optimize for utility and stability. But our design language and mechanisms are out of touch with the complexity of our products, the way we talk about Office, and our customers' expectations. Office12 will mark a turning point in how we present our productivity tools to our users and how we enable our users to express the product of their work. The product will stand out as strikingly new, both by its redesigned user experience model and by the great new quality and forms of output from our applications.

Increasing Office's Strategic Role in Businesses

The sales conversation around Office has become increasingly complex. Fewer customers are willing to buy simply on the promise of increased individual end-user productivity. Today's conversations often revolve around the business value and return on investment provided by the product. Our customers' views on value have "moved up the stack" from worker productivity to enterprise and business productivity. Our effectiveness in these conversations therefore relies on our ability to offer a set of products that address the needs of businesses at a more strategic level. Office12 needs to be a product that clearly helps customers increase the efficiency of their organization's processes and business systems. We will achieve this by offering a set of server capabilities and a rich desktop platform that integrate seamlessly to provide an information worker platform for business solutions. We will also ensure that customers can see and measure productivity enhancements with Office.

Pursuing Targeted Revenue Opportunities

As a maturing business we must be more deliberate in identifying specific opportunities and customers. In order to do this we will make some targeted investments in well-identified areas of revenue opportunity. This is about growing the pie and extending Office into areas where we are not today but where we know IT money is being spent. It is about understanding the unmet needs of our customers and developing software that addresses them. For Office12, we will focus these investments in the three IW *category bet* areas: Document lifecycle, Business intelligence, and Real Time Collaboration and Communications. We will also explore how we can better reach and provide targeted value to specific customer segments. This will include work to support new business models related to subscription and trial, Small Business Tools and services integration for small business and continued delivery of targeted enterprise value through Pro differentiation.

Customer Value

Office12 will offer clear and compelling value for customers of all levels of sophistication, working alone or in organizations, as end-users, administrators, or developers. We will do this by being deliberate about creating *out-of-the-box 100% solutions* to well-identified sets of problems and activities, providing users with functionality that solves their common problems without requiring added customization or development. This represents a deliberate change in how we address complex scenarios. In the past we have often focused on *enabling* the broadest possible set of scenarios by giving users the basic building blocs they need to stitch them together. The result of this approach is that too often we fall short of providing all the pieces needed and only end up solving 80% of the problem. The 100% approach is to pick a more focused set of scenarios and build the end-to-end experiences that will enable them fully. An example of this is the work we will do in Word around academic papers and theses as 100% solutions, providing all of the tools (equations, bibliographies, better long document handling, etc.) needed to create these types of documents.

In Office12 we will revamp the *user experience* of our products, with an emphasis on improving the ease of use of our products by focusing the user interface on completing core tasks and by separating out the *system* functionality from the tool functionality. Office12 will provide clear value for our end-users by making them more efficient at the tasks they do most.

In addition to this, the new Office system will introduce our users to a broad new set of *work products*, enabling them to express themselves in compelling and effective new ways. This release will set a new standard for information work output, and will give our users an edge with both the quality and effectiveness of their work results. Underlying this strategy is the view that information workers use our products to create new outputs by synthesizing, analyzing, and presenting their views, knowledge, and informed opinions.

Team	Customer's work product	What this means
Word	Professional documents	Footnotes, equations, bibliography, long documents
PowerPoint	Pitch books	Prepare for printing, b&w, smaller fonts, tabular layouts
Excel	Business reports	Stunning and modern charts, prepare summaries for printing, etc.
Outlook	Personal Information Management	PIM information as first class data
Access	Tracking applications	Built in structure for forms, attachments, event management, workflow
Publisher	Marketing communications	Consistent marketing communications regardless of the output format
OneNote	Personal & shared information scrapbook	Capture, retrieval and re-use of notes & info.
IGX	Easy high impact diagrams for persuasion	Auto diagramming by example with Shows'R'Us quality output
Visio	High value professional diagrams	Flowcharts, Network diagrams
FrontPage	SharePoint applications	Schema definition, forms design, query auth, data presentation, workflow
SharePoint	Team sites	Rich collaboration through richer document sharing, search, publishing
Project	Project workspaces	Simple Gantt charts, tasks lists, doc/task linking, issue list, risk list
InfoPath	Business forms	Rich/reach forms, biz process integration, team and enterprise forms
DLC	Enterprise document repositories	Template-driven rich doc storage site, optimized metadata & views
UEX	Increased productivity	Simplified, more efficient user interaction model for Office Standard apps
LHP	Lightweight document projects	Simple model for grouping and acting on collections of related documents
PLEX	Deployment images	Easy to create/install Office images as a first-class install deployment mode
TWC	Watson and SQM data	Better access to and analysis of actionable data gathered via Watson & SQM
Programmability	Add-ins for today's scenarios	Managed add-ins for hooking mail messages, doc open/save, …

Because a value proposition comprises many factors – business value, total perceived cost, differentiation from competitor offerings – the Office Product Team and IW Product Management will work together closely to define and refine the value proposition for our various Office System offerings. This will include collaborating on product concept testing, positioning and messaging research and sku/offering planning much earlier than in the past.

Vision Areas

As in each of the previous releases of Office, we will structure the investments we make around a set of *vision areas*. These are the themes of the release, and are derived from the business priorities described above and from planning research done over the last year. The vision areas are a mechanism for ensuring that we build a release that has clear focal points, steering the team in a well-defined direction, and providing a foundation from which we can develop the messaging around the release.

Business foundation: Clearly demonstrating "newness"
Vision Area Coordinator: Julie Larson-Green
Prototype: click here

We are embarking on an exciting journey: redefining the Office experience for 21st century information workers. We will take our applications in a bold new direction that speaks to the future direction for all Windows productivity applications. Separate of new application features, the experience of using Office12 on a daily basis will feel new – *different and better*.

Office12 is not an incremental upgrade. This new Office will have a distinct and overriding *spirit* – a spirit that elicits emotion, turns heads, and gets people talking. We will define a clear design direction that speaks to our vision of the product, is in concert with the future direction of the operating system, and is a welcome change for our customers. We are designing Office12 for a new generation of information workers, those that are in college today, and we will probably make some current customers a bit uncomfortable. When we're done, the Office of today will look and feel as old-fashioned and clunky as DOS applications did next to their Windows successors.

To achieve this vision we will achieve our goals by building the features that will allow our users to:

- Streamline and Simplify the Document Authoring Experience

- Get a Great New Office Experience

- Create Stunning Documents

- Find, Organize and Access Your Office Work More Easily in Longhorn

Streamline and Simplify the Document Authoring Experience

A key difference from our user experience work in past releases will be our emphasis on finding a specialized solution for the authoring experience of the Office Standard set of applications. It is not a lowest common denominator rework of shared user interface mechanisms; it is a dedicated effort to re-inventing the authoring experience for the Word, Excel, PowerPoint and Outlook (via the WordMail note). There will continue to be an all-Office look and feel that is applied to all the applications in the suite but the primary focus will be on these applications.

☑ **Find and use the authoring features you need, when you need them.** To simplify the user interface model, we will first take the applications back to their core value around authoring documents. We will tailor the UI for Word (including mail note), Excel and PowerPoint more directly towards the experience of creating documents, spreadsheets and presentations, removing the Office System features and relocating them in a way that doesn't interfere with authoring activities.

☑ **Discover and leverage Office System features.** The goal of this effort will be to change the way customers work with Office by providing a dedicated place to put all the functionality in Office that doesn't require the document to be the center focus. Collaboration features, workflow, document protection, workspaces, document metadata, among others, will now have a new place to expand their value without being crowded into the authoring experience.

Get a Great New Office Experience

Beyond the work we will do in the Office Standard applications, we will invest in redesigning the overall user interface model for the entire suite. Today's plethora of command-access widgets (menus, toolbars, task panes, etc.) presents a confusing experience for our users, and is a major factor in contributing to the impression of bloat that users have of our applications.

☑ **Find and use the authoring features you need, when you need them.** By locating all user interface elements into a single place on the screen we will further reduce the complexity of the applications and more clearly showcase the features in each by focusing on making the command set more browseable. We will base

our UI on a model that emphasizes simplicity yet expands as required to serve the needs of features of all levels of complexity. The overall goals of this work are consistency and lack of clutter, allowing the user to focus on the content, not on the UI.

☑ **Get a great new Office look and feel.** Our new user interface will incorporate a brand new visual design. Modern, compelling, and steeped in a consistent and clear design language, the new UI will combine high-end graphics effects with animations, transitions and visual cues in a way that will make our old UI look incredibly stale by comparison. We will also pay strong attention to clearly expressing the visual branding of Office in the new UI design.

☑ **Work easily with multiple documents and content.** Working with multiple documents at a time is among our top customer pain points. The work we do to make this easier is one of the things that will make our customers unwilling to go back to previous versions of the product. Besides solving the windowing problem with multiple documents and allowing operations on multiple documents at once, we will also improve the clipboard making data transfer between applications more seamless.

☑ **Use custom integrated applications within Office.** We will continue to evolve the modeless model that we have created with task panes, but the task panes we have today will be replaced by a combination of the new command area with a new model for complex feature integration. The new model treats these features more like an application but within the main application frame. Clip Art, our new diagramming tool, charting, and others are candidates for this kind of integration.

Create Stunning Documents

It is not valuable to reinvent the user experience if our customer's work does not improve as a result. The challenge for this release is to go beyond additive solutions and take a revolutionary approach to helping our individual information worker create better documents.

☑ **Apply new formatting and styles from visual pick lists in one click.** The big win in updating the look of document will come in with more pre-built examples and galleries that can be picked from, rolling up large amounts of tedious formatting into one click. Taking the example from the PowerPoint slide designs, we will provide these galleries throughout the applications. From simple changes to fonts, to seeing different table formats while inserting a table, to having a choice of grid layouts in Excel, it will be much easier to build a more modern looking document in each of the applications.

Find, Organize and Access Your Office Work More Easily in Longhorn

Office12 will "light up" when running on Longhorn. We will implement end-to-end scenarios that make Office12 look and feel like a great Longhorn app, as well as scenarios that will enhance the Longhorn Shell experience for Information Workers. These scenarios will be of such clear, fundamental value that they are easily understood and integrated into our customer's daily work. Here are a few examples of the work we will do in this area:

☑ **Organize, access and perform simple actions on your Office documents**. An extension of Longhorn Shell concepts, creating a space specifically tailored to making Office users more productive. We will make it easier for users to organize and access their work through personal projects, flags, tasks and related views. Users will also be able to perform common actions on Office documents in the shell. Ultimately, we will help users get work done, and help them take full advantage of the power of the Office System.

☑ **Find information and tasks related to your Office work products**. Office12 will use the Longhorn common file dialogs when running on Longhorn to open and save files. This will help give Office12 the look and feel of a Longhorn app, and will enable our users to use the powerful Office Shell Extension shell views when browsing for and opening files.

☑ **Extend search capabilities.** We are investing in search from two directions: first we are helping make the Longhorn Shell search experience great for Office users by promoting rich metadata from Office documents into WinFS, second we are extending the shell search metaphors into the Office applications through *hit highlighting* and associated navigation when a user launches a document from shell search results.

☑ **Publish documents to a high fidelity, fixed format**. Users will be able to publish their Office12 files to eDocs fixed format when running on Longhorn, preserving their documents in a high fidelity pickled format. This will enable scenarios such as archival and cross-platform consumption.

☑ **Enhance mobility.** Office12 will run noticeably better on a Longhorn laptop. We will respect the Longhorn power management states, and are actively working with Longhorn and Intel to be smart about how we use system power. In addition, we are exploring output formats for "auxiliary displays".

21st Century Documents

Business foundation: Addressing competitive challenges
Vision Area Coordinator: Chris Pratley
Prototype: click here

In 2003 our output no longer looks good or exciting like it did back in 1993 when people impressed their friends and coworkers by using Office 4.0 for their documents. It is run of the mill – largely unchanged. Our documents are very nearly as static and dead as paper. They do not reflect the reality that a significant percentage of content is now consumed on-screen and never printed. Our documents are "dumb", in the sense that they require a human to interpret the content and make any necessary connections to the next step in the process, or to related information. In Office12 we will make significant progress on all of these fronts – we will build great looking, dynamic, *smart* documents for the 21st century.

We will accomplish this by building the features that will allow our customer to:

- Communicate With Impact

- Focus on the Document, not the Features

- Integrate Documents With Business Processes and Systems

- Use New, Robust XML File Formats

- Build, Use and Manage Forms

Communicate With Impact

Only a few years ago we could relax in the knowledge that what mattered to our customers was easily creating great looking output, and we delivered the best combination of ease of use and high output quality in our tools for producing great looking documents, slide decks and spreadsheets. That was then, this is now.

Over the years our customers' needs have broadened beyond document production and we have aimed to satisfy them by developing new capabilities and products to cover those needs. The cost has been that the activity which is core to our existence, and still perceived by most customers as the reason they use Office, has languished. By standing still in the output space for so long, we have become an easy mark for competitors, who have largely completed cloning our capabilities (last significant update in Office 97!).

☑ **Produce state-of-the-art documents.** Customers are more sophisticated now, and our output looks boring. Partly that is because it simply hasn't changed for seven years, and partly games and the web have brought attractive (or at least different) output onto everyone's screens. Gradients, shadows, blends, textures, materials, etc. are expected in professional output now. We will invest heavily in revamping our OfficeArt technology and charting engines in order to provide this kind of output to Office users. Finally, we will adopt advanced layout technologies, typography and equation support, to allow users to produce professional-grade documents, and to improve our default document appearance.

☑ **Create high impact visuals, diagrams and charts.** Diagrams are an incredibly common element of today's documents, yet Office does very little to help our users produce great diagrams. In Office12 we will introduce a new technology – IGX – targeted at making professional graphics and diagrams easily. This tool will be designed to automatically offer users great visualization of ideas and data using a simple and easy to use gallery-driven UI.

☑ **Optimize your documents for on-screen consumption.** In an increasingly electronic world of authoring, collaboration, distribution and consumption, we need to move beyond WYSIWYG to a new idea: What You See Is It (WYSII or just "Whizzy"). Office12 will make significant progress towards producing content targeted for on-screen consumption, as well as making on-screen reading itself more pleasant (examples are great layout optimized for screen, sharp text, screen friendly fonts, effects, multiple views, easy navigation, visual bookmarks, and "whizzy" things like animated page flips). To go along with electronic presentation, we will provide enhanced tools that allow users to access related information while they are reading, such as a hover balloon that provides quick access to a translation, related links on your portal, or acronym definitions.

Focus on the Document, not the Features

Our authoring applications have focused over the years on providing an increasingly sophisticated set of tools to enable users to format documents the way they need to. Office12 will take a new direction and focus on the document the user is trying to make. Users don't want to futz with a complicated set of formatting features – they just want the result. Likewise they don't want to recreate content when they know it exists elsewhere. Office12 will bring the focus back to the document and away from the morass of low-level features we currently present to the user.

☑ **Get a better looking document from the start.** We will start first with reinventing document defaults so that even if a customer doesn't use any new features, their documents are better than what would have been created in previous versions. Default styles in applications will be reworked to be more modern and provide a fresher, more updated look to a basic document, spreadsheet, and presentation.

☑ **Use ready-made parts to create documents.** We can help users create richer documents by allowing them in one simple action to insert objects that combine several elements. For example, a Word user could choose to add to their document a title page, header, or a paragraph with an attached picture, and then fill in the contents. These objects also give us more information about the structure of the user's document, allowing using to provide new views for better navigation and bulk formatting of objects.

☑ **Make your documents look consistent and original.** Rather than forcing users to the extremes of starting from scratch or a pre-written template, we can provide formatting building blocks in the form of groups of suggested formatting that looks good together, design templates for applications that don't have them, better looking auto-formats, etc. often presented as galleries and other visual aids to quickly choosing what works. We will also introduce the concept of Folios, as well as revamping the way templates and formatting are presented to users to make it easy for customers to create a unique look for their documents, and keep it consistent across Office.

☑ **Include note-taking and research in your document creation.** Office12 will include a repository for content, notes and research that a user has used or plans to use in the future. This includes a persistent clipboard for all the applications but it is also more than that– it is a way for users to treat data and content the way they think about it – building blocks that they want to use and refer to later. The "notes and clippings" mini-application (built on OneNote technology) will allow users to link their note-taking, research and authoring activities to provide a rich source of ready-to-use material to assemble documents side by side with the document.

☑ **Address legal, financial, educational and other targeted usage needs.** In addition to improving our base level of capabilities, Office12 will also focus on specific target customer segments and be sure our tools and output work for their particular needs end-to-end. Some examples are financial, legal, and education customers who have specific needs in terms of document complexity, document length or size, calculation complexity, and formatting. We will be sure to tackle "100% solutions" for these customers so that they feel Office12 has addressed their unique needs.

Integrate Documents With Business Processes and Systems

Given the ultimate goal of paper output, for years the Office document focus was almost exclusively on formatting and presentation richness, with little to no effort being placed on retaining or divining the meaning of the content that was displayed. Since the output was destined to be printed, all that mattered was appearance.

The work done in the past two releases of Office around Smart Tags and XML has laid the groundwork to take *information work* to a new level. As the lifecycle of documents is increasingly mostly or all-electronic, there is an opportunity to have richer output than what paper can provide. In addition to nice formatting, content in documents can maintain a description of what it is (a customer, an Outlook task, an SAP object). This information can be used to suggest to the user actions to take or allow the user to find related information (e.g. show recent purchase activity, add this task to my personal task list, open this bug in Product Studio). Increasingly, information workers will deal with information rather than merely formatted text.

☑ **Connect documents to team and personal workspaces.** Today a document is largely unaware of where it is stored or what process it is a part of. Often a document stored in a SharePoint library has information about it stored twice – in the document itself, and also in the SharePoint library. In Office12, documents can have parts

linked to SharePoint columns or other data sources. So if the status of a document is changed in SharePoint, it can be reflected in the document, and vice versa. This will be easy for the end-user to set up so they can integrate their documents with SharePoint more effectively.

☑ **Extend workflow into documents.** A modern document or e-mail knows what it is, and where it is going. Just as a human can read the document looking for certain information to route it correctly, Office12 documents and e-mail will be able to follow a workflow based on what is written in them. This isn't magic – a little XML markup in a template or a smart tag can go a long way – but today business processes get bogged down waiting for humans to make the simplest of choices. Often they take the most time just finding out what is possible or appropriate to do. We can remove a set of bottlenecks in the most well-defined workflows and provide hints for many more. The state of a document can show up in either a structured header outside the document, or even inside a document, much the same way our spec template knows about its status because it is linked to SharePoint doc library columns.

☑ **Connect your documents to business data.** New and existing features in Office will be overhauled to take advantage of the new semantic information attached to content. For example, the new small business tools from the Microsoft Business Solutions team can push data into a Word template or Excel sheet that is marked up with XML to generate a set of invoices, order quotes, reminder letters etc at the push of a button. They can also allow the end user to fill in such a template using the applications they are familiar with and both print it for the customer as well as push that data directly into the small business tools, saving the step of sending the file to someone else who retypes that information. There is no limit on the exciting capabilities we can offer once the content that a user deals with starts to be labeled with semantic information via XML.

Use New, Robust XML File Formats

Documents in the previous century were designed to be created by a single user on a single computer and then printed. In the 21st century, the demands on documents are much greater. With Office12, at a minimum the applications PowerPoint, Word, and Excel will pursue new file formats. We do not undertake this lightly. We are very conscious of the customer challenges regarding new formats. Yet we believe the aggregate customer benefits that new formats can support will significantly outweigh the disadvantages.

☑ **Create safe and secure documents**. A key goal for new formats is to deliver customer benefits in making our files more trustworthy. This means significantly improved file robustness with fewer and much less severe file corruptions and easier recovery. It means addressing concerns around hidden document content, properties, code, and metadata through ease and open verification of file content.

☑ **Move data in and out of Office documents more easily**. The early positive customer interest we have seen with the Office 2003 XML work demonstrates the keen interest customers have in being better able to exchange data between Office and back end processes. Yet in 2003 our XML implementations are absent in PowerPoint, not complete in Excel, and inconsistent across our applications. With Office12 we will aim for new XML formats that can be default formats for these three applications, subject to this approach meeting key requirements. Open formats and data interoperability with applications like InfoPath as well as customer and partner applications will be major benefits for customers, and redefine how customers think about using Office files.

☑ **Use breakthrough features with new file formats**. In many cases today, critical improvements that customers are asking for in our applications are being gated by inherent limits in the existing file formats. The examples are many, such as rich graphics and formatting in PowerPoint, and larger grid with richer cell properties in Excel.

☑ **Ease upgrades and collaborate regardless of Office release.** Of course, new formats also carry a large set of requirements that we will define, investigate and address in order to deliver a good customer experience. Examples are performance, size, security, version compatibility and coexistence, consistency, easy file management, and many more. To ease the transition to new formats, we will learn from the Office 97 experience, and prepare the market much better. Some examples of steps we will take:

- Document the format (schema) of the files, as we have with the Office 2003 XML formats. This will alleviate a major conceptual stumbling block for potential critics.

- Make saving by default as Office 2003 binary an option for organizations undergoing staged upgrades

- Make available converters where possible which customers could install in older versions of Office, perhaps in advance of the release of Office12 to allow time for distribution. These converters could even be shipped in a service pack for office XP and 2003.

- Take advantage of the XML format itself to provide a lightweight free viewer using XML to HTML transforms (available today for Office 2003 XML formats in IE), or XML to eDoc transforms

- Clearly articulate to customers and the press the value of the new formats, what they enable, and why we are making the change. It is imperative that we start working on this messaging and on making the converters available well before (12 months) we release Office12.

Build, Use and Manage Forms

InfoPath 2003 revolutionized what a form meant by using XML and an easy-to-use application interface that enabled non-programmers to create dynamic forms to solve business data collection needs. In Office12, the investment in forms will build on that base to create a forms ecosystem that spreads across the information worker, the enterprise, and beyond to include government-to-citizen, and business-to-consumer scenarios. Major areas of investment include:

☑ **Build better, more secure and more flexible forms.** InfoPath will continue to invest in a rich form editing experience with improved data connectivity, offline support, better printing, improved security for data and business logic, IRM, and a great paper to e-form transition for both form templates and content. We will enhance rapid solution creation for information workers who focus on script-less development as well as better programmability for IT developers. As part of this work, InfoPath will replace the Microsoft Script Editor with the new low-end Visual Studio environment and will add a managed object model. This major investment is driven by customer requests and aims at making InfoPath v2 the best rich forms ecosystem in the industry.

☑ **Integrate Office in forms-based processes**. Integration between InfoPath and the rest of the Office12 applications will happen at the data level and as a component that can be used to manage structured information about the document, or within it. This *structured information header* will provide a convenient model for entering and managing structured document-level data and will serve as the mechanism for enabling scenarios like document lifecycle profiles and workflow management. InfoPath forms will also be available as structured e-mail notes, allowing users to fill them out, save them in form folders and aggregate them in Outlook.

☑ **Extend forms reach and manage forms processes**. A key requirement to break into government-to-citizen and business-to-consumer scenarios as well as many business-to-business interactions is to have a reach solution for forms that does not require the InfoPath client to fill out the form. We will build an InfoPath Forms Server, on top of the Office Server platform to deliver server-based forms together with a design-once solution for both rich and reach. As a component of *design once*, InfoPath will add a new managed object model, consistent across client and server. The Forms Server will be the integration point bringing together a complete, end-to-end solution that will include workflow, reporting, portal integration, backend connectivity, and end-to-end solution design.

Effective Teams and Organizations

Business foundation: Increasing Office's strategic role in businesses, Pursuing targeted revenue opportunities
Vision Area Coordinator: Jon Kauffman
Prototype: click here

Office has been at the forefront of improving personal productivity throughout its history and continues to improve it today. But as customers have placed greater emphasis on collaboration, communication, and shared work, Office has begun to invest in tools for group productivity – making information workers more efficient when working with one another. At the same time, customer organizations are increasingly focusing on how information technology can make them better able to serve customers, increase revenue, or create better designs instead of just saving time or money. This move from productivity to effectiveness is a great challenge for our software – instead of thinking of shaving time or money off a particular task, how can Office help win revenue, delight customers, or generate great ideas?

The Office 11 vision area *Team and Corporate Productivity* communicated growth in scope from personal to group productivity. This release's corresponding vision area underlines the change in focus from productivity and efficiency to effectiveness and quality. To support team and organizational effectiveness, Office12 will help customers

- Manage Collaborative Work

- Keep, Find, and Use Organizational Knowledge

- Share Expertise and Build Communities

- Work Where and How You Want

Manage Collaborative Work

Collaboration tools are often made easy to use at the expense of fostering a closed system – useful when activities stay within their confines, but disconnected from other business processes. Users end up bridging the gaps by hand–pasting the results of collaboration to and from publishing systems, financial applications, and the like. When working on projects, users end up doing most of the coordination work, like tracking who's done what or pulling together status updates. Too often, information workers do manual, error-prone, and repetitive tasks assembling and converting documents, sending e-mails, and filling out forms. Office12 will maintain our investments in ease-of-use and add capabilities for more structured work. Tools to connect to other business applications, to finalize documents automatically, and to help coordinate interrelated project tasks will all make Office collaboration more relevant to today's information work. With FrontPage, solution creators and developers will be able to create and customize Office collaboration solutions. Developers will have the same opportunities in Visual Studio.

☑ **Manage document workflow.** Office12 will provide better tools for making collaboration directed, automating common work patterns of document review, routing, approval, and publication. Office will track status, notify participants, and help manage e-mail transitions. Improved tools for making comments, comparing versions, and incorporating feedback will help information workers spend time doing tasks instead of doing task management. While our emphasis will be on out-of-the-box experiences, the underlying workflow functionality will be extensible so that more customized or complex processes can be accommodated.

☑ **Finalize, secure, and publish documents.** Office12 will facilitate the process of finalizing a document better than ever before, automating the removal of authoring debris, making documents secure via IRM, translating to multiple formats, and automatically sharing or submitting to publishing and finalization processes. Office12 will make it possible to publish multiple related documents at once. Where the destination of publishing is a SharePoint site, published content will be integrated into the site with appropriate navigation and links.

☑ **Create and manage web content.** Office12 will include an extensible SharePoint-based web site publishing solution that lets business authors and site developers work more effectively to create rich, scalable sites with flexible, data-driven navigation and consistent template-driven content. Easy-to-use authoring and workflow tools

will help business users combine new and existing assets while they work in-place or within familiar Office desktop applications. Office12 will ease content re-use on the web, coordinating and delivering content to multiple sites, languages, and devices on the intranet, extranet, and Internet.

☑ **Expand participation in project management.** Lightweight project management tools delivered as a new SharePoint module (Project workspace) will enable SharePoint users to organize, track, and deliver their work with tools that are easy to understand and use.

Project portfolio management tools in Microsoft Project will let business decision makers align work and people investments with their business objectives. Lightweight projects and traditional critical path management style projects will work together to bring together the best of SharePoint's collaboration features and the process-control and structured roll-ups of Project.

☑ **Build team collaboration solutions.** FrontPage12 users will be able to use SharePoint and Office to tailor solutions to meet their specific business needs without writing any code. These SharePoint Applications will be able to use rich data structures, combining native SharePoint lists with external data. Data entry will be available from web forms integrated into the site itself or from InfoPath, Word, or Excel. SharePoint's workflow functionality will be customizable and incorporated as well. Finally, all of the code generated by the SharePoint applications will be further customizable by developers in Visual Studio.

Keep, Find, and Use Organizational Knowledge

Organizations want to protect and get the most out of their key assets. As business becomes more idea-driven, more of those key assets are Office documents, electronic mail, and SharePoint sites. As customers scale up to better manage information assets, they need better tools to provide access, security, consistency, and control. In Office12, we will scale up our tools to reflect their needs.

☑ **Manage your organization's documents.** Office12 will enhance document libraries to offer an enterprise document management solution, with benefits like check-in/check-out, accession numbers, flexible document versioning, virtual documents, rich document metadata, and fine-grained security. These features will be delivered as natural extensions to Office applications and SharePoint. End-users will have an easier time finding, saving, and sharing their documents. Organizations will gain the benefits of central control: monitoring, policy enforcement, and reporting, security, and robustness. This is an area where delivering a great *100% solution* will ensure that we produce something that is useful to our customers.

☑ **Search and find relevant information across your organization.** Office12 will be a breakthrough release in making it easier to find information inside organizations. Our search offering will achieve best-of-breed status in the market through investments in core relevance, performance, manageability, and UI. Office12 search will win against Google by focusing on the needs of enterprises full of people, business data, SharePoint lists, and Office documents, not just web pages. We will take deep advantage of SharePoint to improve results. Office search will win against Verity by providing a cohesive application, no a difficult-to-manage stable of engine components.

☑ **Improve your compliance with regulatory policies.** Corporations, and the regulatory bodies that govern them, recognize information as an asset and a potential liability, leading to a surge in regulatory requirements and demand for better tools for policy enforcement and auditing. The opportunity for policy enforcement and auditing goes far beyond our Office 2003 offering, including managed documents that comply with corporate policies regardless of where they are stored, enhanced information rights management, and records management capabilities for documents and e-mail that help ensure that vital information is retained and out-of-date information is eliminated.

☑ **Manage your projects as a portfolio.** When organizations scale up their project management activities, they collect related projects and manage them together as portfolios that allow for roll-up reporting and performance measurement, prioritization, and coordinated budgeting. Project12 will build on the previous release's centralized project and resource repositories, performance indicators, and cross-project reporting to deliver a 100% solution for portfolio managers. Through Project12, Office will deliver great reporting and analytics, dashboards, and briefing books for assessing portfolios.

Share Expertise and Build Communities

Working together is key to effective organizations. Office12 will help people connect, share information easily and securely, reduce time spent transferring information, and make it easier to discover information that matters.

☑ **Create personal sites and personalize organizational websites.** We will continue our investments in SharePoint *MySite* features by enabling easier document sharing, richer suggestion and discovery tools, and more extensive capture of 'my' information – data sources, reports, colleagues, etc. Core investments in SharePoint will extend personalization beyond *MySites* by presenting information that's personally relevant to visitors, like hiding links to information to which a user doesn't have access and showing *my document* views.

☑ **Enhance collaboration and lifecycle management of workspaces.** We will continue to enhance the SharePoint team collaboration experience. Better site navigation will ease movement between sites. Discussion boards will sport enhanced usability, fit and finish, and performance. Limitations on the length of surveys will be relaxed or eliminated. Site provisioning and the SharePoint Portal Server Site Directory will be more deeply integrated, allowing for more flexible navigation to particular team sites, and providing better consistency as sites are archived, destroyed, or moved.

☑ **Locate people and expertise.** We will build on the people and expertise work we did in SharePoint Portal Server 2003 by extending the information we show about people –things like free/busy, public group memberships, and social networks, all exposed in a way that respects privacy. Personal portraits will be unified with Outlook and OWA. Finally, we will extend SharePoint Portal's people features to help users find people based on their skills and relationships.

Work Where and How You Want

Organizations are most effective when information is delivered exactly where people are working. Office12 features will be delivered to Office desktop applications, offline, and in reach browsers. While we did and will do a great job for browser users, our ability to innovate around the desktop applications and the server will mean the best experience will come when Office applications are combined with Office servers.

☑ **Access your workspaces and document libraries offline.** A key request from customers has been to help their collaboration experience roam with them, and Office/SharePoint 2003 didn't deliver for them. Since working with documents is a key offline scenario, and since the document lifecycle is so critical to this release's goals, Office12 will make deep investments in providing a rich, easy-to-manage offline document experience around SharePoint, Personal Sites, and Enterprise Document Libraries. In Office 12, document libraries will travel wherever users do by integrating tightly with the offline experience users are accustomed to in Outlook.

☑ **Use collaboration capabilities from within Office.** We will continue to deepen the connection between our client applications and our servers via published interfaces. In particular, we will make the following investments:

- Open/Save in Office and Windows applications will be optimized for WSS.

- Research and reference will automatically connect with SharePoint search capabilities, as well as offer access to business data that can be directly consumed by the client applications. In addition, an improved in-document UI will make using research much easier.

- The SharePoint Portal *see also* service will offer desktop applications suggestions of related materials and information in stream with document authoring or reading.

- Workflow and process actions will be exposed natively in Office documents and e-mail.

- Richer individual contact information fed by SharePoint Portal will be shown by Outlook.

- Group calendars and tasks will be managed seamlessly in Outlook

Manage Your Time, Work and Relationships in One Place

Business foundations: Clearly demonstrating "newness", Increasing Office's strategic role in businesses
Vision Area Coordinator: Marc Olson
Prototype: click here

Today Outlook is the premier tool for communications and personal information management, making customers more successful by increasing their efficiency and productivity when working with electronic communications and activity management. As usage of the product, and of the types of information and communications it handles, has grown, we need to ensure that Outlook continues to meet the needs of our increasingly sophisticated users. Expectations around management of calendars, tasks and contacts continue to grow. Similarly, the opportunities for integration between Outlook and other key parts of Office are rich, particularly in collaboration scenarios.

This vision area is about continuing the great work we started in Outlook 2003 and making Office12 the best tool for managing one's time, work, and relationships. We will accomplish this by building the tools that will allow our customers to:

- Manage Time, Work and Relationships

- Manage E-mail Overload

- Integrate Outlook Data Across Office

- Find Contact Information Where and When you Need it

Manage Time, Work and Relationships

After a successful release focused on e-mail, Outlook12 will make major investments in its calendar, tasks and contacts tools – three areas poised to play an increasingly significant role in how iWorkers manage their time, work, and relationships.

☑ **Improve your calendaring experience.** Outlook12 will completely revamp the calendar, transforming it from a necessary tool to an indispensable tool for knowledge work. Step one will be to deliver a new look and feel for the calendar that's clearly evolved from its predecessor, is inviting and modern, provides smoother navigation through time, boosts "scannability" and better renders busy schedules, enables shared calendars to be branded and overlaid, has beautiful new month, quarter and year views, highlights unprocessed and updated appointments, and provides a light-weight preview pane so users don't have to open additional windows to view more information. We may also enable people to scribble ink annotations on their calendar using a Tablet PC, just as someone might jot something down on a paper calendar or planner. Much like the Outlook 2003 UI redefined the mail experience (and people noticed), the new calendaring experience will be a radical departure from what we have today.

☑ **Share calendars, tasks and contacts with other Outlook users.** Outlook's long-range vision in the Personal Information Management (PIM) space is to make electronic time-management as ubiquitous as e-mail. Just as documents evolved from the type-writer to the word-processor to e-mail, we want to bring this [r]evolution to PIM information, empowering users to move from printed calendars, task lists and contact sheets, to electronic versions that they can share with others. Outlook12 will break down barriers to sharing calendar information among Outlook customers. While Exchange users will continue to experience the richest ability to share calendar data, Outlook will partner with SharePoint and MSN to enable people and groups to share PIM information. Scenarios include allowing a team to browse, view and modify in Outlook a team calendar, hosted on a SharePoint site or MSN Group; enabling a customer to keep their work and home calendars separate (one on Exchange, the other on MSN), but see them together as a single schedule which communicates when they're free and busy; and letting a small group without Exchange to harness SharePoint to maintain a single, primary "Group calendar" in Outlook.

☑ **Identify, manage and accomplish tasks.** Fundamentally, people want to see a view of their entire day – where they need to be and what they need to get done. Our long-term vision is for Outlook to be the premier task management system across the entire system. In Outlook12, we will make Outlook a simple and compelling

place for customers to identify new Tasks (through quick input or via e-mail) and ensure they accomplish them (by relating them to their calendar). Our focus will be on providing light-weight task tools to help people manage their time holistically, not on building a heavy-weight task management system. We will enable people to QuickFlag mail to instantly identify tasks, assign them to projects or categories, and say when they want to start working on them or when they must be completed (e.g., by end-of-day, sometime this week). We will also provide "instant" task input from anywhere in Outlook, to make noting down a task "as simple as writing it down." To help customers plan their day, they will now be able to view and arrange their tasks quickly at the bottom of each calendar day, or even drag them up to their schedule to set aside time. We will also enable users to see and modify Tasks from SharePoint sites, and to assign them to others.

☑ **Improve your experience scheduling meetings.** In Outlook12, we will partner closely with Exchange12 to both fix the fragility of our current system and extend its functionality. Beyond restoring trust in the system (no more disappearing or corrupt meetings), we will make improvements in a variety of areas, including making it easier to find the optimal time to meet given people's busy schedules, updating a meeting "noiselessly" (without repeat invitations), improving exception handling with recurring meetings, providing a new model for finding and booking conference rooms and other resources, protecting users from losing private notes in the meeting item, scheduling a Live Meeting easily from Outlook, and smoothing over a host of "rough edges" throughout the meeting organization process.

Manage E-mail Overload

E-mail is used to communicate directly with work associates, friends, and family. Through subscriptions to mailing lists and distribution lists users also use e-mail to receive information about things that matter and in the case of junk mail, the things that don't matter. Our customers are overwhelmed by the unprecedented volume of e-mail. Though we made some improvements in the last release with the reading pane, quick flags, conversation view, and search folders, users still struggle to stay on top of the never-ending influx of messages.

☑ **Always find the e-mail, contacts and calendar information you need.** Outlook12 will deliver a set of new tools that are designed to significantly reduce the amount of time that users spend organizing and finding mail. Rather than relying on the user to create an elaborate hierarchy of folders and complex rules we will build on our search folders infrastructure and item attributes to deliver a set of out-of-the-box organization schemes that users can use to view and manage their e-mail. This will be enabled through a deep investment in full-text indexing in partnership with the MSSearch team in SharePoint Portal.

We will provide similarly valuable schemes for contacts, calendar, and also some new organizational schemes that span item types. These special organization schemes could be called portals and might have a set of special verbs around them that are unique to the type of portal. Some examples include the project portal, task portal, and contact portal where the project portal contains all things related to a given project, the task portal contains all things that have some work associated with them, and the contact portal contains everything related to a given person.

Realizing that there are times where organization fails and users need to actually search for a message or set of messages we will deliver a set of powerful and easy to use search tools that are designed to give lightning fast search across multiple Outlook stores.

☑ **Ensure easier compliance with your organization's e-mail policies.** Most corporations have policies that restrict the user's mailbox size, dictate how long e-mail and documents should be retained, and stipulate rules about the transmission of sensitive information. Unfortunately the current client and server model places too much burden on the user. Users either spend a great deal of their time trying to ensure that they're compliant, increase corporate liability and costs by just not complying, or some mixture of the two.

In Outlook12 we will partner with the Exchange team to deliver a set of features that are designed to ensure better compliance with corporate policies. This compliance will come by shifting the majority of the burden away from the individual user and instead placing it on the mail server and client. Outlook will have features that make it possible to do the right things on the user's behalf and administrators will have the tools on the server necessary to modify or create new policies, monitor the level of compliance, and enforce compliance through a variety of means.

☑ **Reduce the volume of junk mail.** In order to ensure that users aren't overwhelmed by e-mail we should make sure that they're not having to actively mange junk mail. We made huge progress in the last release with features like *block external content* and the junk mail filter but there's still significant work to be done in the fight against spam.

In Outlook12 we will continue to aggressively innovate in this area and are working closely with the ATS team to come up with multiple client/server solutions that work in unison to significantly reduce the volume of junk mail that our users see.

☑ **Handle and view attachments more easily.** In Outlook12 we will do work to ensure that users aren't forced to change their workflow simply because they're reading a certain type of message. We will also improve the attachment handling experience by making it easier to add an attachment, providing a way to preview attachments in the reading pane, delivering special verbs that are tailored to a particular attachment type, providing a predictable experience when saving attachments, and also by taking advantage of some of the work that the Office UEX team is doing to allow users to see and interact with e-mail messages and their attachments side by side. We are also considering moving to Word as our editor which would allow us to build on Word's continued investment in document editing and rendering.

☑ **Keep your in-box up-to-date.** Cached Exchange mode in Outlook 2003 eliminated the need for Exchange users to manage connectivity and synchronization. Unfortunately this work was limited to Exchange accounts and didn't in any way provide value to POP, IMAP and HTTP mail accounts. Today these accounts still rely on complex send/receive groups and require the user to manually manage connectivity to their e-mail servers.

In Outlook12 we will extend the network awareness work that we did and come up with a unified mechanism for sync configuration and progress. This will ensure that users of all account types get the automatic *always up-to-date* behavior that's resonated so well with our Exchange customers and will serve to remove confusion in the product around the fact that there are two disparate sync mechanisms for cached mode and other accounts.

☑ **Install and set up Outlook more easily.** Feedback from the Outlook 2003 Welcome Message System revealed that setting up Outlook for the first time can be a daunting task for many end-users who don't have the benefit of an IT staff. We need to move towards the *Easy POP3 setup wizard* used by PIPC in Japan.

Though the Custom Installation/Maintenance Wizards offer a myriad of deployment options for the Exchange administrator, corporate end users still have issues with Outlook after it's been deployed to them. These issues are both costly to the corporation deploying Outlook and to Microsoft.

Integrate Outlook Data Across Office

We will continue to invest in opportunities for integration between the Office components and e-mail or other Outlook data types. These opportunities abound, and they provide us with ways to stitch together some important end-to-end scenarios across the entire suite of products.

☑ **Integrate e-mail and calendaring with workspaces.** SharePoint sites have become the best places to store and share information. In Office12 we will enhance this experience to make SharePoints hubs for communications as well, through tight e-mail integration like CC to Web and distribution list member management and archiving. SharePoint and Outlook will work together to unite group and personal calendar functions around meeting workspaces. In Office12 we will also invest in Outlook and SharePoint for live e-mail that lets real SharePoint data (not just links) travel in mail messages.

☑ **Route and manage forms through e-mail.** InfoPath12 will allow users to create a simple form, send it in e-mail, get structured information back, organize it in Outlook folders, filter/search based on the structured content of the e-mail messages and repurpose information into the Outlook store. The ability to route and manage forms through e-mail will provide an important missing link in data collection and management scenarios.

☑ **Access customer, business and accounting information in one place.** We will continue our investments in integrating contact information stored in Outlook with the small business-oriented functionality of Small Business Tools 2.0. The work we do in Business Contact Manager will extend Outlook's contacts by allowing multi-user sharing of contact and account data, creation of rich communications histories, better views on contacts, and rich integration between contacts and the associated financial data from Small Business Accounting.

☑ **Collaborate in real-time across Office.** We will continue our investments to innovate and enhance the communications experience through seamless and extensible integration. This includes making presence and person-centric communication ubiquitous within Office. The Person Menu (available by clicking on the pawn) will allow for a consistent and rich experience wherever you are in Office12. For example, in Outlook, the pawn will be present within Contacts and the Global Address List as a springboard for real time actions based on presence information. Initiating collaborative conversations, whether through Instant Messaging, Live Meeting or other real time collaboration method, will be a first class citizen – just a single click away. Furthermore, in Office12, associating contextual information from Word documents or a SharePoint site through IM will provide the next level of integration throughout.

☑ **Read and navigate e-mail more easily.** The investments we've made in Word's reading layout view lend themselves very well to the scenario of reading e-mail messages. In Outlook12, Word will take over as the read note for e-mail messages, giving users an optimized reading experience by optimizing layout for the screen and by providing tools for easier viewing and navigation.

Find Contact Information Where and When you Need it

In today's world, contact information is scattered haphazardly throughout applications and devices and is a hassle to maintain and search through. Outlook12 will make it easy for users to find contact information where and when they need it.

☑ **Find contacts and their data.** Outlook12 will enable users to find the right people to communicate with quickly and manage business and personal relationships. Outlook contacts will have greater visibility throughout the application. Contacts will be easily distinguished and wherever they appear they offer rich people-centric features like getting to presence, contact details, or free/busy. Additionally, Outlook12 features a new wordwheel based navigational model that scales to hundreds of thousands of contacts and allows people to be found even with only partial information: e.g. a user might know first name, building and title - "Developer Steve in Building 18". In addition to speedy querying, users will be able to find people by interaction history or corporate hierarchy. The contacts Module will be the single place to also find people from the corporate directory. Outlook will allow users to organize their contacts into useful lists such as friends or colleagues.

☑ **View communications, tasks and meetings related to a contact.** The contact portal will be the hub for users to also view communications, tasks and meetings related to a person. It will summarize important interactions and offer links to full history. Traditional contact information like Name, Address, Phone, E-mail will appear alongside dynamic information e.g. to-do's related to this Contact, unrequited mail, mail flagged for follow up, tasks, free-busy/presence data, scheduled meetings or SharePoint documents.

☑ **Share and print contacts.** Outlook will make the sharing of contact lists easy through SharePoint, MSN or Exchange. We will also offer a number of convenient form factors to print individual contacts and contact lists, from a wallet-sized phone list, to a business trip contact list, to a fully detailed company directory. This will give users more incentive to manage contacts in Outlook.

☑ **Get contacts into Outlook.** We will make it easier to quickly create new contacts. But instead of forcing users to manage hundreds of contacts, now each person can simply keep their own information current and share it as Me-Cards via E-mail. Me-Cards will allow the user to add branding (logos & pictures) or custom properties (like store locations & hours). Corporate users can publish their Me-Card to websites or SharePoint Portal Server.

Unlock and Incorporate Business Information

Business foundations: Increasing Office's strategic role in businesses, Pursuing targeted revenue opportunities
Vision Area Coordinator: Joe Krawczak
Prototype: click here

Never before have organizations had so much data, or have information workers of all kinds had greater need for viewing, analyzing, and tracking information. At the same time, developers are looking to build better solutions using this information for automating business processes. With Office12 we have a rich opportunity for creating the world's favorite software for working with organizational information, reaching individuals, departments, and developers.

Our bets are three-fold: business intelligence, information tracking capabilities and solutions, and enabling developers to create compelling solutions using Office.

For business intelligence, we will invest in making Office a much better tool for exploring, analyzing, and reporting on quantitative business data. The ever-increasing mountain of data customers are generating has given rise to a new set of challenges that customers are wrestling with today. How can disparate data types and sources be used seamlessly to answer business questions at all levels of the organization? How can information be made available securely but pervasively, anytime, anywhere? How do individuals in the organization find, analyze, gain insight, publish, and share based on this ream of information? How can individuals do this as a natural part of their job, using the Office tools they are comfortable with, without expensive new applications and training?

Today Microsoft has part of the business intelligence product set needed to solve these challenges, but we are incomplete. With SQL Data Transformation Services, SQL Analysis Services, SQL Reporting Services, and SharePoint Portal, we have solid underpinnings for a full BI stack, but we are missing the end-user capabilities that enable individuals to find, report, analyze, and share insights based on quantitative information. To meet these needs, we will broaden the capabilities of Excel, and extend the value of work done in Excel through a new Excel BI server product. This release marks our deliberate entry into the business intelligence software market.

The second investment area of information tracking scenarios is a ubiquitous area of work and need for information workers. What we mean by 'tracking app' is broad, and refers to any scenario when groups of information workers need to track a set of items, over time, as part of a business process, where the items are often linked to documents or people. Examples are workgroups that need to track who attended their seminars, or what inventory they have in their storeroom, or what bids have been given in the last year and the status of each. These tracking needs are present from small businesses, through workgroups in medium organizations, to departments in large organizations. They must often be met with little or no central IT support. Tracking shared information is an extremely common and broad information worker activity.

We will meet customers' tracking needs from out-of-the-box, easy tracking by individuals, through customization without code by solutions creators, to rich solutions authored with code by developers. We will also meet these needs by applying the best of our server and client products in an integrated way. SharePoint will become the server hub for workgroup tracking scenarios. InfoPath will provide forms capabilities for SharePoint solutions. FrontPage will allow developers to extend SharePoint in rich ways. For customers without SharePoint, or who desire a desktop product, Access will remain a great way for information workers and solutions builders to track information. Information in Access will be able to move to SharePoint, and information in SharePoint may be moved locally into Access for offline scenarios.

Our third investment area focuses on enabling Office solution creators and developers to build compelling solutions that are relevant today by building on the rich capabilities of Office, the Microsoft platform, and Microsoft tools. In this release we will focus our efforts in three areas: Simplifying the story for non-coding solution creators by providing a great tracking application story across Office, moving low-end and entry-level developers writing macros to a modern and developer-compatible world with the new low-end Visual Studio editor, and upgrading PIAs to Managed Adaptors to provide .Net experience to our COM objects for Visual Studio developers. This combination will give us the simplicity that the target segments need to understand the technology and the power, compatibility, and headroom they need to use the technology.

Analyze Information, Gain Insight and Author High Impact Reports

We constantly hear customers' desire to better use Excel to analyze information, gain insight, and author reports. The reason is the unmatched flexibility and approachability of the spreadsheet. Yet a great dichotomy exists in the market today. On one side is Excel, with the spreadsheet as the ultimate free-from tool for creating the specific analysis needed. On the other side are BI client applications, which are designed and optimized for connecting to, reporting against, and manipulating structured information. A dichotomy also exists in how the output of each tool is used. BI client applications (thick and thin) are designed and sold with BI servers as matched pairs, so that reports created can be effectively managed, distributed and consumed across the organization. Customers need the same server capabilities for work authored in Excel.

The key advantage of BI products is that they assume structured data and then provide great tools for manipulating this information to gain insights and answer business questions. The great disadvantage is that these tools are limited to only manipulating within the context of the structured information. Additionally, they are not spreadsheets, and do not support free-form calculations, analysis, and layout. Finally, they generally assume a sophisticated user, so they do not have the same broad appeal as Office. This is why every BI client has an *export to Excel* button and why every BI vendor has an Excel add-in. The need for these BI tools, however, is clear and legitimate today because Excel has limited capability for working with structured information.

What the customer needs is the best of both: great capabilities for working with structured information, and the ability to go beyond structure with free form analysis, calculations, and layout. With Excel12 we have the opportunity to redefine what a modern spreadsheet should do by delivering 21st century business reports as a new high-value work product for customers. Delivering this vision in a solid end-to-end way requires new capabilities across Excel.

☑ **Work with and analyze enterprise data more quickly and easily.** Excel12 will add new fundamental capabilities for creating, consuming, manipulating, and analyzing structured information. Today, Pivot tables are the part of Excel most focused on structured data, but they are too difficult, too inflexible, incomplete and not well integrated with Excel's other features that relate to structure, such as lists, outlining, named ranges, and arrays. In Excel12 we will achieve a deeper and more unified approach to structure in the spreadsheet, enabling scenarios like starting from a flat list and then grouping based on repeating values, expanding and collapsing an outlined view of this information, and rearranging the view by pivoting. Other scenarios include better tools for performing analysis, calculations, and building reports from structured data. Additionally, we will be able to improve a wide range of our features – formatting, printing, charting, authoring formulas – when we know the user is working with structured data.

☑ **Spot trends and find exceptions.** Structure provides a foundation, but to get full benefit from structure Excel must help users easily explore and analyze their information. Excel must redefine what a modern spreadsheet is capable of with new abilities such as:

- Automatically highlighting exceptions and outliers, enabling rich conditional formatting, and helping users understand what has changed from a previous period's report.

- Much improved core spreadsheet power, with a bigger grid, expanded limits across the product, faster recalculation, and a host of new formula and function capabilities and improvements. Spreadsheet customers have been asking us for years to improve core spreadsheet capability for analysis, and we will undertake significant effort in this area in this release.

- Great support for SQL Analysis Services features which help users work with data in rich ways.

☑ **Create professional business reports.** Data alone does not a great report make. We will significantly improve formatting, printing, and charting. See *21st Century Documents* for more information on stunning output.

☑ **Author, share and distribute business reports with easy data connections.** Excel will add capabilities to enable report authors to design data-bound reports for broad distribution to other users – for example, greatly simplifying the task of connecting to enterprise data and providing the ability to lock down certain Excel functionality when sheets are opened by other users. Additionally, Excel will provide a great integrated experience

for sharing Excel reports on SharePoint, and running the report with live data and updates with the addition of the Excel BI server.

Access and Manage Business Reporting Centrally

The investments in Excel client are the basis for our vision in BI. Yet client investment alone is not sufficient to meet customer needs and maximize our opportunity in BI. Customers everywhere are investing heavily in server-based reporting infrastructure to provide delivery of business information. Using server infrastructures gives customers the abilities to meet their needs for security, manageability, data integrity and "one version of the truth", and delivery across the intranet and extranet without being blocked by desktop deployment issues. We will satisfy these needs by building a new server-based product to support our work in the Excel12 client.

☑ **Expand the reach and flexibility of Excel workbooks.** The Excel BI Server will load Excel12 workbooks, update calculations and external data and render the final reports 100% thin. Fidelity with Excel client will be very high, and significant code will be shared between Excel Client and Server. The server will support limited in-browser interactivity so that report users can scope and explore report data, and it will provide obvious and seamless paths from the browser to Excel client for deeper data exploration, ad hoc analysis in the spreadsheet, editing, printing, and saving changes.

☑ **Manage and control Excel business reports and models.** Building on WSS and shared Office Server infrastructure, organizations will be able to schedule reports and create static snapshot reports for regular distribution. Administrators will have fine-grained control of security, rights, and content on the server, and will be able to easily organize and maintain sets of trusted or official Excel reports and useful data connections and queries. Interesting scenarios such as sharing key information with clients or partners without exposing the underlying business models in the spreadsheets will be possible as well. The administrator can grant permission to view reports in the browser but withhold permission to open the actual Excel workbook, and have the report authors publish Excel reports with only the appropriate and relevant information visible.

☑ **Bring enterprise-class capabilities and deep SharePoint integration to your Excel-based solutions.** The Excel BI Server will meet enterprise needs for scalability, availability, security, performance and extensibility. Through tight integration with SharePoint, the rest of the Office Server infrastructure, and the SQL BI products, the Excel BI server will serve as a platform for enterprise solutions. Solution developers will be able to take advantage of Excel BI Server's ability to read and calculate live Excel workbooks, and integrate this power into their applications, as well as to embed Excel BI Server's thin report rendering and interaction capabilities in their custom web-based user interfaces.

Build on and Extend Out-of-the-Box Tracking Solutions

The most common departmental or workgroup applications created today are tracking applications. These may be built in Access, may be modified WSS lists, or may be cobbled together from Excel or Word docs and e-mail. In all cases they have some things in common: there is something to be tracked, status, time, and a link to people. We will provide out-of-the-box tracking applications solutions in Office12, unified across the client and server. These out-of-the-box solutions will be useful as they stand and will be completely customizable with Access and FrontPage. The will extend the SharePoint strategy of providing a useful out-of-the-box solution with easy extensibility to include a whole new class of application.

☑ **Use out-of-the-box tracking solutions.** Office12 will provide out-of-the-box tracking applications in SharePoint, Access, and FrontPage. These out-of-the-box solutions are targeted at the most common tracking scenarios and the goal is that most users can simply use the out-of-the-box application without any changes.

☑ **Synchronize tracking application data between client and server.** Because of the platform split that will exist between the Access technology and the ASP.net/WSS infrastructure, we will build symmetrical and linked applications for the client and the server. The applications will have separate data storage and separate forms mechanisms but will be able to synch data between the client and server, and the out-of-the-box solutions will be symmetrical between the client and server.

☑ **Enter and analyze tracking application data with Office programs.** In addition to the native forms supported by the platforms (Access forms on the client, ASP.net on the server), Office12 users can take

advantage of the Office applications for data entry and analysis. Data can be captured in Word, Excel, or InfoPath and analyzed in Excel on the client or through the Excel Server.

☑ **Extend your tracking solutions with basic to advanced tools.** Authors can extend the out-of-the-box solutions using a variety of tools, depending on how many of the gory details they want to see. The client-side Access application can be extended directly in Access. The server-side tracking applications can be extended most easily by using the SharePoint UI on the server. Users needing more flexibility can directly open the application in FrontPage and customize its look and behavior with visual design tools. Finally, developers wishing to code directly can open the solution in Visual Studio and bring all of the VS tools to bear. In all cases, the code developed is standard and fully understandable by a developer, and any code created in a lower-level tool will be preserved by the higher-level tools going forward.

Build Rich Data Applications Quickly and Easily

For over a decade customers have found Access to be a fast and cost-effective product for collecting and managing information at the workgroup or department level. Whereas enterprise-class data applications are the domain of SQL server and our developer tools, Access has been our answer to these smaller-scale scenarios. In the past Access prioritized features that enable power users to rapidly build applications; but few users could be successful learning how to build applications without reading books, taking classes, or getting coached from an existing power user. In Office12 we will redesign the user experience to be much easier to use for the typical Office information worker.

☑ **Get started building database solutions more easily.** In order to both satisfy the solution needs of information workers and enlarge the user base for Access, a reset of the Access user experience is necessary. Access12 will provide a much improved getting started experience, navigation model, datasheet, and more intuitive view interactions. New templates (including tracking) will enable knowledge workers to jumpstart their application. The navigation pane will enable users to build solutions that are organized around their business (sales, marketing, admin) not our internal structures (tables, queries, forms, and reports). The datasheet is the center of many Access applications; it will be easy to extend the schema of a table, sort and filter, and edit data with features such as fill-down.

☑ **Create interactive reports with easier design views**. 12 years ago Access released the world's best forms and reporting package. The Access designer was relatively easy compared to other tools and the runtime was blazingly fast. Over the years we have added minor improvements to it but the core user experience has stayed largely unchanged. Our customers still rely heavily on it for interacting with data in forms and printing great documents. One of the biggest limitations of Access reports is the limited amount of interactivity provided. Users don't have the ability to select text for copy and paste, search for a text, follow hyperlinks and bookmarks, or expand and collapse sections. Access12 will address these limitations by allowing users to interact with the data in their views/reports in richer ways than in the past. Another key problem is that the form and report creation process isn't WYSIWYG; users interact with an abstract view of the form or report. This confuses people in the usability lab. Access will also innovate in the view creation process by creating a mode which will allow users to manipulate the structure of the view while they are looking at the data. Access12 views will be easier to create and provide a richer set of runtime functionality that enables people to make clearer business decisions.

☑ **Build web tracking solutions.** WSS continues to grow in popularity and importance. More and more customers are using SharePoint to store and collaborate on documents and data. Access12 will provide out-of-the-box integration with WSS specifically around tracking applications, and taking lists offline. In conjunction with WSS, we will deliver a tracking schema that both Access and WSS understand. Access12 will extend its support for linking to SharePoint lists by enabling users to work with the data in offline scenarios.

Build SharePoint Team Solutions with FrontPage

SharePoint has shown the strength of a strategy that combines a useful out-of-the-box solution with easy extensibility. Users understand the power of the platform because it is demonstrated by the OOB solution and they can apply that solution as it stands or customize it to suit their needs. FrontPage provides this extensibility for SharePoint today and will significantly extend the flexibility it provides in Office12. In addition, it will continue to drive the state of the art for web authoring and will enable a family authoring story with Visual Studio for simple HTML, ASP.net, and SharePoint webs.

☑ **Assemble data from multiple sources.** SharePoint applications will enable rich data inside WSS, including joining SharePoint lists, connecting to external data, and XSLT style linking for XML data that can't be joined.

☑ **Use Office applications for data entry into team solutions.** SharePoint applications will enable data entry from multiple Office applications and the browser, allowing the author to tailor the application to meet his or her needs. FrontPage provides ASP.net forms that are fully integrated with the rest of the site and share formatting, CSS styles, and run in the same frame as the rest of the site.

☑ **Present flexible data views through web parts.** FrontPage can provide rich, flexible XSLT presentation for all XML data through the Data View Web Part, which is simply an ASP.net web part and can be easily customized with code in Visual Studio.

☑ **Build customized workflow.** SharePoint will take advantage of the Windows Orchestration Engine (WinOE) in WSS to enable customized workflow.

☑ **Author full-featured websites.** FrontPage will provide state of the art HTML authoring tools to solidify its standing as the world's leading web authoring tool. At their heart, SharePoint and ASP.net pages are largely HTML code and FrontPage will provide great tools for authoring any HTML web page.

☑ **Interoperate with Visual Studio.** FrontPage will provide its editing surface to Visual Studio and will provide high-quality interoperation between the two tools. While the FrontPage user will never be required to write any code, the code that it generates will be fully extensible in Visual Studio and easily understandable by a developer.

Modernize the Office Development Model

The Office Programmability and the Visual Studio teams will work together to deliver broad improvements for developers using Office.

☑ **Auto-generate code for common Office solution needs.** We will aim to revitalize areas of Office development broadly by helping more people create the type of solutions that are most relevant and compelling today through a new set of wizards that auto-generate code for common solution needs like hooking Outlook messages, getting data into and out of Office documents, and document actions upon save or open. We will not invest in scenarios that were common a decade ago but are no longer very relevant, such as automating authoring commands, or customizing the core application UI.

☑ **Create Office solutions with managed code.** We will modernize the programming technology in Office by enabling the use of managed code. We will create a new set of COM Interop libraries for all of the core Office applications that addresses the issues that developers have with the existing Primary Interop Assemblies that shipped for Office XP and Office 2003. We will also host the Airwalk managed code editor in core Office applications. Doing both will enable departmental developers to start creating managed code document extensions and add-ins to Office, while learning with tools that are current in the .Net world. This also enables IT professionals building managed solutions to more readily include Office as part of their solution.

☑ **Deploy, manage and secure Office add-ins more easily.** We will create a new add-in model for Office. Today across Office we have a hodge-podge of methods for creating add-ins, which makes add-ins difficult to create, deploy and manage. The new add-in model will support managed code, make improvements to the deployment, management, and security of add-ins, and be as consistent as possible across Office in order to deliver a strong and stable foundation for the next decade of Office add-ins.

☑ **Single Extensibility and Solutions Model for Outlook.** We will provide developers with an orderly transition from the unmanaged MAPI roots of Outlook to a new managed and unified Outlook12 object model. Current Outlook developers rely on numerous interfaces: The Outlook object model, Collaboration Data Objects 1.21 (CDO), Exchange Client Extensions, Extended MAPI, and a collection of ad hoc object libraries. Many of these APIs are unsupported in the .NET environment. To strengthen our existing story, we will create a true managed object model in Outlook that will unify our previous interfaces and build on code access security to replace our current one-off security mechanism known as the Outlook E-mail Security Update.

For the solution creator or professional developer, we also envision an Outlook solution design environment. This environment, combined with the new low-end Visual Studio environment or the next version of Visual Studio itself will allow a developer to design rich solutions consisting of lightweight forms, custom views and managed add-ins. To resolve the difficulties of the end-to-end development experience, we envision that this tool will guide the

developer from the solution creation through debugging all the way to signing, updating and deploying the solution to the end user in a trusted manner.

We will also work with the Visual Studio team to deliver Outlook-specific VB.NET and C# solution templates for the next version of Visual Studio. We will work with our ISVs and customers to lay the groundwork for creating great new applications built on the Outlook12 platform, and measure our success by the number of new and existing applications created for Outlook.

Breakthrough Quality and Satisfaction

Business foundation: Getting closer to our customers
Vision Area Coordinator: Eric LeVine
Prototype: click here

The Office System has achieved remarkable success over the past decade. Our products are woven into the fabric of corporate business and are a critical part of the way end users create, analyze and share information. However, over the past few years some troubling trends have emerged:

- Our deployment rates are lower than we would like. Some of our best customers have paid for Office licenses and not actually rolled out new versions of the software.

- Security concerns have garnered a huge amount of attention as hackers and spammers have increasingly tried to exploit our products and our customers.

- Despite our huge strides with Watson, customer concerns about reliability have grown. Customers are simply demanding even higher standards of quality and interoperability.

- As we have focused on delivering on the *unarticulated needs* of our customers, we have not done our best work in listening to their explicit desires. Some users feel that our software is not tailored to their needs.

Office12 will provide a breakthrough to these problems, on both client and server, by focusing on building the features that will help our customers:

- Ease Deployment Pains

- Customer connection

- Increase Reliability, Security and Privacy

Ease Deployment Pains

☑ **Provide migration tools and be ensured of compatibility.** We have studied why some customers don't deploy, and the larger issues have much more to do with application and solution compatibility and the deployment cost this creates. For Office12 we will also focus on the 'outside of setup' picture of corporate deployment through the development of tools, data and processes that help users migrate to the new Office. This, coupled with a deeper focus by all Office teams on application and object model compatibility will significantly improve our customers deployment and migration experience. Specifically, we will drive the development of tools to assist customers in their deployment planning and implementation. This will include a focus on version-to-version file compatibility as well as providing basic testing automation that most customers perform manually today before deploying Office or any patches. We will look at *CompatibilityWatson*, a way for customers to get the results of this testing back to Microsoft for analysis and resolution. There are a lot of holes in our content around deployment, and we are planning to address these issues by managing the overall programming of deployment content, filling the holes and acting as the aggregators of all Office deployment related documentation on Office Online, where our Content Watson feedback loop will also enable us to continuously improve deployment-related content. From a customer's perspective our evangelism of tools, methodologies, programs and process recommendations is very inconsistent across our product lines. We will manage the Office team engagement with other Microsoft deployment efforts to drive consistency and provide clear direction for our customers. We will step up our efforts to ensure that feature changes, functionality deprecation or other events that could impact a corporation's deployment or usage of Office are captured and clearly documented. We will also identify common line of business and 3rd-party enterprise applications and incorporate them into our testing processes.

☑ **Update Office with critical security and reliability fixes more simply.** With Office12 the patching experience will be simplified, more robust, and consistent with Windows so that a much higher percentage of users are always up to date with critical security and reliability fixes. We will use deployment technologies emerging from Windows such as Windows Installer for patch installation and registration, SUS (Software Update

Service) for a consistent patch deployment technology, and System Center for ongoing enterprise management. We will also continue our investment in our own maintenance and patching features. Specifically, we will retire Transforms and will standardize initial configuration, reconfiguration and maintenance using Windows Installer patch technology. By exclusively using patches for configuration, we will simplify the work required to customize and maintain Office. We will create a Local Install Source as part of every install. By doing so, we will eliminate the request for source files when patching and customizing Office12. With a guaranteed install source, we will exclusively produce binary patches which will significantly reduce patch size. Finally, Office12 servers will have a common patching infrastructure and tools to track patch state across many servers in an Office deployment.

☑ **Simpler & better first install.** Installation and customization of Office has come a long way since the inception of the Windows Installer, providing administrators with a high degree of control over the default feature states, policy settings, data migration, etc. For Office12 we will continue to build upon the successes we've seen in this area. First and foremost, all Office12 products will be constructed of a language neutral core and a localized language pack. By fully supporting this language neutral architecture we will ensure a consistent language switching experience with Windows Longhorn. We will unify existing customization and maintenance tools into an integrated customization dashboard that is accessed as part of an administrative installation. We will support multiple methods of installing Office but will be very clear and prescriptive about the preferred way to deploy and will work closely with our partners to ensure that these methods define industry best practices for application deployment. Finally, Office12 server components will install consistently and reliably with a common setup experience. A common set of server deployment topologies will make Office system deployment consistent, reliable, and scalable.

Customer Connection

Our efforts around Watson and Office Online have proven the incredible value of a digital connection to our customers. There is still enormous potential to improve the user experience and drive up customer satisfaction by focusing on customer pain points. In addition, we want to use these customer connection tools in new ways so that we can ultimately map even more of our efforts onto features and scenarios that are most valuable to customers.

☑ **Watson and SQM everywhere:** Watson is a tool for much more than just learning about common crashes and hangs. Likewise SQM (Software Quality Measurement) is not just about tracking toolbar clicks. With Office 2003 we have already started to tap into other critical areas with our usage of SQM and AlertWatson, AssertWatson and IME-Watson. However, for Office12 all teams in Office will go further and build on the Watson & SQM infrastructure to learn more about their customers and usage scenarios.

- Critical continuously improving features will have a feedback channel. Some known examples include spelling and grammar correction and the Outlook spam filter, but many more team and scenario specific examples exist.

- We will target additional PSS and customer pain points such as document corruption, printing problems, and other situations where users are blocked from getting their tasks accomplished.

- As we look at entirely new paradigms for user interface design, we will also integrate the concept of rating and feedback from the very start of our efforts.

- For the Office12 servers, it is also critical that Watson and SQM are used pervasively.

☑ **Get help from other Office users, experts and partners:** With Office 2003 we started to invest in the area of user communities. This CommunityWatson effort, formerly known as Feedback and Assistance Communities (FAC), will come to fruition in 2004. This is a Microsoft-wide effort and involves extending traditional newsgroup concepts to enable customers to better help each other. A key innovation will be to enable customers to make product suggestions and vote on those issues they want Microsoft to address. We also expect this to provide an actionable source of end-user complaints about glitches and compatibility issues that we can address. Unlike traditional Watson and other behind-the-scenes data streams, CommunityWatson suggestions will be public and we will be in the *spotlight,* so to speak. CommunityWatson will drive Office and Microsoft to be more responsive to customers and begin to reshape what it means to be a PM in Office and other product groups.

Going beyond this, there is a great opportunity to allow customers to help each other. We will play a critical role in this by giving customers and partners tools to establish *reputation* with each other, and this will enable them to

collaborate in ways that go far beyond our ability to help users directly, including sharing user-created content on Office Online. For example, we will make it possible for MVPs and other users with strong reputations to add to or annotate our Office Online content. We will extend Office Marketplace to more markets worldwide, creating more opportunities for partners to help Office customers – in January 2004 alone, Office Online sent over 225,000 referrals to our Marketplace partners.

☑ **Consult online and offline product assistance:** With Office 2003 we are learning more every day about user expectations around our assistance tools and services; in the five months since Office 2003 launched, Office Online has collected over 2.6 million pieces of customer feedback. We are using this data to address top issues and dissatisfactions for customers on a weekly basis. With Office12:

- We will continue to lead this effort not just for Office but for Windows as well as we work jointly with the Windows and NUI teams to provide Office Online-like capabilities for all Microsoft products, starting with Longhorn and Office12.

- We will provide richer help tools to users such as more context sensitive content and the ability to have the help system automatically perform a series of actions rather than asking users to manually follow a series of steps.

- We also will do work to ensure that the great Office Online content is easily found from any search entry point users choose: support.microsoft.com, www.microsoft.com, MSN Search or even Google or Yahoo. Similarly, we will extend the search and browse on Office Online to include other sources of Office content, including PSS, product information and key third-party sites.

- The Office server product line is expanding significantly in Office12, and we will provide both server administrators and end-users with a great assistance experience by building in help as a core Office server shared feature.

Increase Reliability, Security and Privacy

☑ **Reliability:** Our work with Watson and SQM is not done. There are many problems that can occur as people use our software, and a small percentage of those actually turn into crashes. SQM data shows us that alerts are 40x more common than crashes, so we will invest in better ways to understand non-fatal errors that still have a great impact on users. Our goal is to increase the mean time to various errors (crash, hang, non-fatal error message) fairly dramatically as we compare Office 2003 RTM to Office12 RTM. Specifically, mean time to crash should grow by a factor of 3, mean time to hang by a factor of 5, and mean time to error message by a factor of 10.

- We will build tools to proactively seek out the users who are having the worst experience with our products. We have learned from SQM data that close to 95% of customers see at most one crash per month across their usage of all the Office applications (most see none). However, there are nearly 1% of users who crash 10 or more times per month. With a goal of reducing these users by 90%, we will build out our toolset to identify and attack the typically cyclic problems these users are experiencing whether they be machine or environment specific. We call this approach *CustomerWat*son.

- We will make a significant change in our approach to measuring the responsiveness of our applications, as we will target real-world experience along with internal lab measurements. We know we have a great deal to learn about where and why our applications perform poorly, and we will build the nervous system to measure this and drive for changes. Our initial investigations already suggest that our applications deal poorly with network latency and outages, so much as we did with Local Cache Mode in Outlook11, we will implement conceptually similar approaches across the rest of the suite. Likewise, all long-running operations will be cancelable, and this will require close cooperation with and support from the Windows team.

- We will extend SQM to our server products. We're going to catch the server products up to the great work we have already done in the desktop applications by adapting the SQM model for non-interactive, datacenter deployment and exploit its capabilities to improve server product quality.

☑ **Security:** We have made excellent strides over the past few years and now are among the poster children at Microsoft for doing a great job with our internal process around security. We will continue to push ahead there,

and our goal is to reduce the number of defects fixed in security bulletins by 50% as compared to Office 2003. Since this goal is out of our direct control, we will measure our progress using metrics around automated and manual code review coverage, threat model completion, and the frequency and depth of our security audits.

It is also important for us to make product investments in a few areas. We must present fewer "hard choices" to users. Asking an end-user about obscure trust relationships with complex certificate picking dialogs is not something that is understandable, and unfortunately our current products do this too often. In Office12 we will present decisions in place and in context. For example, the decision in Outlook 2003 to render mail messages without Internet linked content was a good one for security, and users are presented with a fairly clear choice in the message and can make an informed decision. For Office12 we will simplify all such prompts and warnings.

Some of the bigger security problems only come into play when users unknowingly change settings. For Office12 we provide integrated security scanning, so that we can proactively warn users when they have exposed themselves to threats and offer a simple way to restore their configuration.

Finally, with the Office12 server, we're making a big shared-code investment in key server modules to reduce surface area, security defects, and focus our threat modeling and reviews. Our bet on SharePoint is critical for the security of our server products.

☑ **Privacy:** Privacy is an area that has come under much more intense regulatory scrutiny, and in an increasingly connected world it is of significant user interest. Much like security, going forward we will do an even better job of raising awareness and training internally, and we will add features to reduce the chance that a user will trip up. In particular, we will provide tools to help users strip unintended metadata and content from Office documents as part of the publishing process. This will be intuitively integrated so that it is highly discoverable and easy for users to use. We will provide a simple, clear and consistent user experience around settings that impact privacy. Our goal is that Office12 should have less than one third of the number of public complaints about privacy as seen in Office 2003.

Deliberate and Focused Market Delivery

"Build what we sell, sell what we build." This is a simple expression of the belief that an integrated development and marketing strategy is the best way to improve the health of the business. Ultimately, we sell an offering, not a product. This offering combines a product (or multiple products) and licensing, packaged to meet the needs of a given customer segment and delivered through specific channels at prices that map to the value that the target audience perceives it will receive.

Microsoft sells to many different audiences, each of which has unique needs and pain points. As our product and the marketplace mature, these differences become even more pronounced. More so than ever, we need to provide differentiated offerings that target the licensing, pricing and product needs of our major audiences.

With Office 2003, we began to focus more heavily on tailoring our offerings for specific sets of customers – for example, a targeted suite for small businesses; a differentiated Professional offering and Software Assurance value improvements for our best enterprise customers; a Student & Teacher edition that provides students and consumers with Office at a more appropriate price point; and trials that enable risk averse customers to "try before they buy." Other differentiated offerings have followed since launch, such as the government PC initiatives in emerging markets, and SMS&P's efforts to build small and medium business subscription offerings, among others.

With Office12, much of our customer value proposition will come from product investments related to the vision areas. These core investments will be complemented by the segment-targeted initiatives described below. Although, the following sections focus on product-related aspects of offering differentiation, significant efforts are underway to tailor other key components of our segment offerings – licensing, pricing, packaging, delivery, etc. These areas, along with more focused discussions of server and category needs, are covered in detail in the Office12 Market Requirement Documents (MRDs).

☑ **Small Business:** Small business represents a tremendous growth opportunity for Office. With just 11% PC attach, 7.5% PC installed base growth and 10% legacy competitor share there is solid upside potential. Office is better off by $67 million per year if targeted product value and a stronger marketing mix can convince just one additional small business out of 100 to attach Office to a PC purchase. There are a number of reasons why this requires a differentiated offering. First, more than 80% of small businesses do not have a server and therefore can't access many of the innovations we have focused on delivering. Second, their mission critical needs involve many non-enterprise tasks. Small businesses are also extremely risk-averse and cash flow sensitive, as well as need more out-of-the-box assistance and capabilities given a pervasive lack of IT resources. Office12 will focus on delivering value that directly addresses small business needs and pain points:

- Flexible subscription enabled through licensing models and product enhancements (e.g., enforcement of non-perpetual licensing; infrastructure that allows pay-as-you-go scenarios).

- More flexible trial capabilities to enable a broader range of partners to enjoy new attach opportunities

- Deep Outlook-BCM integration

- Deep accounting, time & billing, and financials integration with Magellan Small Business Accounting

- Cross Office Folio features, combined with Publisher's focus on creating effective marketing campaigns

- Value-add services, intelligently integrated and surfaced to customers within our small business offerings. These include existing services delivered by our Customer Connection programs, Office Online and Office LiveMeeting, as well as potential future integrated services such as Magellan payroll; the MSN-Outlook Connector, a broad-reach and discoverable hosted SharePoint service; and hosted IRM.

- Potential integration across the broader Microsoft small business stack if compelling new scenarios for driving targeted customer value arise (e.g., out-of-the-box WSS templates for SBS)

☑ **Enterprise and Mid-Market:** Enterprise and mid-market customers remain our bread and butter segments, bringing in the bulk of our revenue. With Office 2003, we differentiated the Pro offering to help deliver more value to our Pro customers and encourage other customers to consider Pro. We also strengthened licensing

programs, developed more integrated offerings and added a significant "solutions" component to our enterprise portfolio. With Office12, we will complement significant investments in Document Lifecycle, Business Intelligence, and Communications & Collaboration with:

- Integrated Offerings – Creation of streamlined, integrated offerings will move Office System from a brand to a reality, as well as serve to grow and incubate our new category businesses. We need to be careful to create a stack that is easy for customers to understand, purchase, deploy and use. For example, we are innovating in many great server categories with Office12: WSS, SPS, CMS, DLC, Project, Excel, and more. Success doesn't mean creating a lot of new categories and compatibility matrices – it means thinking creatively about integrated offerings (e.g., "Office Server") that deliver simple licensing and the best combined setup and out-of-the-box experience. Designing our offerings around key cross-Office System product scenarios through thoughtful and early SKU planning will enhance our ability to "build what we sell and sell what we build."

- Pro differentiation – We will further strengthen the Pro value proposition where it makes sense. Some examples of potential Pro differentiating capabilities include IGX, Excel BI capabilities, advanced Outlook PIM features, and targeted DLC investments. Because making the right choices will take significant analysis and consultation with customers, partners and the field, we will seek to build in as much flexibility as possible up front.

- Software Assurance – With Office12 we will continue to emphasize two product-related areas – support for the Home Use Program and collaboration with the SA Technology Services team. We will also continue to explore whether it is possible to drive significant value for SA/EA customers beyond core product upgrades.

☑ **Consumers and Students:** Consumers (including Information Workers at home) and students represent both a growth opportunity and a risk – a growth opportunity because legal penetration is so low and a risk because both groups are relatively price sensitive and less able to consume our enterprise-focused innovation. To help address these issues, we developed the Student & Teacher offering. Although it has been initially successful driving incremental revenue and unit penetration, S&T generates challenges because our commercial customers recognize it for what it is – a lower priced version of Office Standard. Its lack of differentiation also limits the breadth of channels through which we can sell without risking cannibalization. To further bolster our consumer and student offerings in Office12 we will focus on:

- Improving core note-taking tasks (particularly important for students)

- Exploring ways in which we can further differentiate from our business offerings (e.g., limiting non-consumer Office12 capabilities such as certain server integration, advanced BI).

- Continuing support for the Software Assurance Home Use Program SKU (to serve Information Workers at home)

- Developing our Language Interface Pack (LIP) capabilities to enable more targeted localization of our consumer offerings that can address specific pricing needs in emerging markets.

- Collaborating with the Education Solutions Group to bolster targeted educational capabilities (see below)

☑ **Public Sector and Emerging Markets:** Our relationship with governments worldwide, supported by a great product to suit their needs, is clearly a top priority. In emerging markets, each of our audiences and/or segments has additional unique needs, primarily around pricing and distribution. The fact that we have a product that costs more than a monthly salary in many countries creates challenges for building a legal installed base, as well as provides a ripe opening for competitor offerings. National politics and a desire to foment local software industry also come into play from a competitive standpoint. Further, school/institutional purchase decisions are often heavily influenced by government policies or preferences in many countries for local software, and for choice, both of which favor Open Source-based software today.

From a product perspective, we will focus on public sector needs through document lifecycle scenarios and support for government solution scenarios. This segment has significant workflow & forms needs and has specific goals around government-to-citizen forms processing scenarios. These one-to-many and many-to-one scenarios need to be secure and support down-level cross-platform formats like PDF. Like other enterprise customers, public sector customers will also be interested in our investments around archiving, large scale publishing, digital

signatures and open file formats. Public sector organizations (outside of education) today do not prioritize collaboration scenarios, but we may be able to change this over time.

There are many licensing, pricing and packaging strategies the company is undertaking to address emerging markets needs, across all segments. We must continue to balance local requirements for pricing, packaging, language and functionality with global requirements. In particular, low cost PC hardware is expected to have a major impact across many high percentage growth emerging markets and we must have smart ways to respond to the opportunities presented for the growth segments and countries in our approach to SKU options.

In addition to supporting applicable scenarios described above, we will:

- Maintain an active and collaborative presence in all standards setting committees and strive to support standards that allow for maximum "openness" while preserving our ability to deliver the highest quality software experience and trustworthiness as possible. Both our image and the material advancements we make in supporting open document standards will define how successful we can be in this critical space.

- Closely monitor and adapt to the development of major low cost PC initiatives, such as National PC distribution/incentive programs for consumers, schools, and businesses.

- Helping the ISG education solutions team identify the best ways to effectively integrate and surface educational add-in capabilities where appropriate and warranted.

- Continue strong support for LIP

Competition

Historically, we've looked at competitors on a product-by-product basis. However, given Office's huge popularity on the desktop and the maturity of some of our businesses, we must also look at the competitive threat to the overall Information Worker business and the market for IT dollars which Microsoft competes for with the Office System in order to understand the nature of the competition facing our business today. While Microsoft competes for IT dollars by selling software, IBM competes by selling hardware, software and services whereas Linux and Free Software providers compete by commoditizing software, thereby increasing the relative portion of dollars available for services and solutions. Category competitors compete for the same IT dollars in this marketplace by offering specialized products to specific markets. Microsoft is being squeezed by the competition with IBM and category competitors challenging the growth of the business as we continue to expand our offerings and by non-commercial software vendors commoditizing the base.

Broadly speaking, one can view our competition in 3 key areas:

> 1) traditional productivity
>
> 2) end-to-end business solutions, and
>
> 3) customer satisfaction/apathy.

Structured Task Workers and the Lack of Perceived Value in Office

Within call centers in many industries, and across a number of vertical industries – healthcare, retail banking, telecommunications, manufacturing and retail – there has been an increase in the number of customers looking at alternatives under the claim of "low use" and "reducing the cost of cost centers." Specifically, customers perceive that their users only spend a minimal amount of time in Office and only for basic capabilities and thus should not have to buy a full license. In many cases these low use users represent growth in the market for Office as PCs find their way into places they never were before. In other cases low productivity suite usage is tightly correlated with high use of line of business systems. They challenge our current business model on a technical/usage and licensing/pricing basis: a premium product value proposition is more difficult to impart due to either the vertical-industry specificity of the computing requirements, or the cost-reduction pressure, or both.

Implications:

- What can we do to better integrate with in-house and ISV solutions?

- What can we do to better integrate with vertical solutions?

StarOffice/OpenOffice Targeting Government, Education, and Businesses.

Sun and the open source community has made significant inroads with StarOffice and the various flavors of open source productivity applications given an environment of IT budget constraint combined with customer dissatisfaction with Microsoft's licensing policies and the general perception that current versions of Office are "good enough". Based on a recent internal survey of our enterprise accounts, we found that StarOffice was a threat in 90% of accounts where competitive activity was reported worldwide, followed by WPS in China and OpenOffice in emerging countries. This threat has amounted to approximately 12 millions seats. Each loss has been magnified by the press and has caused another 5 accounts to be threatened. And worse yet, these low-cost/no-cost clones has increased the risk of productivity software being commoditized, further putting our revenue at risk.

The StarOffice/OpenOffice pressure has been greatest in the government and education sectors, particularly in emerging countries. This has been driven by the momentum of Linux adoption in these segments. As recently reported by IDC, new license paid shipments of the Linux client operating environment (COE) "continue to grow at a robust rate - increasing by close to 30% in 2002 compared with 2001. This growth, due in a large part to substantial growth originating from Asia/Pacific, builds on the 46% growth experienced in 2001." StarOffice/OpenOffice wins in the Munich City Council and the Thailand government as well as recent mandates to favor open source or locally produced software in countries such as Brazil, Spain and China have been driven by perceived costs savings and/or the desire to protect/develop local economies (in essence creating non-tariff barriers). A crackdown on piracy in emerging markets also seems to be causing a backlash against Microsoft as customers look for alternatives. These losses not only have a potential domino effect on other government and education agencies worldwide but also the prospect of gaining Linux mindshare and loyalty in the next generation of information workers in emerging economies that are just beginning to cross the digital divide.

While the impact of losses in emerging economies affects future growth opportunities, these losses also have a significant impact on our enterprise business today as more and more companies are using StarOffice/OpenOffice as levers for negotiating on price. Many of these companies also note that some of their departments have no need for all the capabilities that the latest version of Office provides (e.g., call centers, branch banking operations, etc.). They don't see the value of Office in many of their environments; it's not even relevant. This perception is dangerous as interest in Linux is moving beyond basic infrastructure usage to consideration for use in line of business applications, particularly as enterprises are evaluating alternatives for transitioning their legacy environments to new technologies. This shift is due in large part to the support of companies like IBM and Oracle. If Office isn't seen as value-add on top of the Microsoft technology stack, the stack itself is at even greater risk.

StarOffice/OpenOffice is also a significant threat in the small business arena, particularly since existing versions of Office are seen as good enough, and our server-based innovations won't tend to reach this segment. This is also the segment where we have the least penetration and thus the greatest incremental opportunity.

Note that while Sun has been positioning StarOffice as "good enough" for most audiences, Free Software providers are offering products like Gnumeric (with GNOME Office) with functionality that targets niche users like financial analysts. It remains to be seen how Novell's recent acquisition of Ximian will affect the product direction of future versions of OpenOffice.

Implications:

- No room for error; customer satisfaction critical, particularly around trustworthy computing, TCO and new file format; upgrade of applications and OS have to be no-brainers

- Beware of bloat; we need to focus on core work products; we can't be squeezed on mindshare

- Basics have to be nailed; we can't function worse than free; we need breakthrough basics

- New UEX and cross Office and Longhorn integration drives integrated innovation and fights commoditization – *good enough* just isn't

IBM Momentum in Infrastructure and Solutions Push

IBM represents the most serious competitive threat to the Office System. Although software comprises only 16% of the company's revenues, IBM is a key or dominant player across all the major software categories where it has presence, including the communications and collaboration market with its Notes, Quickplace, and Sametime brands, integration technologies such as EAI, portal, BPM and application server under its WebSphere umbrella, as well as content management, business intelligence, and database servers under its DB2 brand. It leverages its deep product line and strength in services (which represents 45% of the company's revenues) to develop custom solutions for its customers and controls its accounts' desktops through its outsourcing business. This leadership also puts them in prime position to secure legacy applications that are ready to be rebuilt on new technologies, particularly those that are Unix or Java-based.

IBM also recently announced plans to boost research and development spending on content management software by 25% and plans to shift 2,000 data management salespeople to content management . As a result of its renewed focus on content management, Garter moved IBM to the leader quadrant from its 2002 position in the challenger quadrant. Further, IBM consistently surfaced as a stable, viable, and dependable partner in our focus groups. Gartner asserts that IBM's strengths include its breadth of platform support, professional services capabilities, large installed base, and global presence; whereas its challenge is to move to a more cohesive suite with a single repository for documents, collaborative content, and print stream data. Gartner opines, and customer visits and focus groups confirm, that IBM's products are loosely coupled point solutions, relying on middleware and professional services for integration.

Implications:

- 100% scenarios across rich client, rich server and web

- Integration across MS stack critical; how are we integrating with server applications?

- Partners (ISVs and GSIs) can't be secondary considerations

- Surfacing RTC, BI and DLC capabilities across suite is critical to extend value of integration

Adobe, Documentum and FileNet Focus on Overall Document Lifecycle Space

From their acquisition of Accelio in April 2002 to their recent partnership announcement with IBM, Adobe is aggressively targeting the enterprise space, leveraging the ubiquity of their Acrobat Reader and the fact that PDF has become the de facto standard for document storage in government and regulated industries. At their recent fall financial analyst meeting, they discussed their vision for delivering a technology platform to "better connect people, systems and processes" through a new category of "document services that leverage PDF technology" across multiple platforms and devices. They plan to deliver this through their "Intelligent Documents" business unit (formerly their ePaper unit) which represents 33% of FY30 revenues (comprising their Acrobat and server product lines) and the biggest forecasted growth for the company over the next few years. Adobe's enterprise strategy focuses on Acrobat on the desktop to help customers collaborate and "share information in a secure, reliable way" and extend Acrobat Reader and their servers to "bridge the gap" between documents and line of business applications. They are focused on delivering products and solutions across the entire document lifecycle from document generation (which is mostly around document assembly via their document and output servers), document collaboration (via Acrobat and their Document Server with Reader Extensions) and document process management (via their workflow and form servers).

Adobe's partnerships with companies like IBM (bundling with their DB2 and WebSphere products) and Documentum provide them joint sales and marketing, extend their industry reach, and allow them to target scenarios that compete against Office and the MS technology stack. Adobe emphasizes traditional core document scenarios like collaboration on legal contracts (where Word is relegated to just use for authoring and products like TeamCenter are used instead of WSS) and business processes like loan applications (where InfoPath could excel). They also highlight corporate regulatory trends like Sarbanes Oxley and HIPPA. Lastly, they continue to build on their strength in graphics and publishing to deliver "rich, dynamic content anywhere".

Gartner sees Documentum's strengths in scalability, compound document management, and comprehensive content management. It showed vision by focusing on WCM during its heyday, well ahead of its traditional

competitors, and has done well in targeting regulated industries, particularly pharmaceuticals. Its challenges are to maintain focus and to reduce the high costs of deployment and maintenance of its software.

FileNET is considered by Gartner to be the recognized leader in high-volume production imaging and workflow. It contends FileNET has demonstrated vision by extending its IDM functionality outside imaging to include WCM, process management, and enterprise application integration. FileNET is particularly strong in the financial services sector, where it offers packaged applications for standard business processes.

Implications:

- Problem space not new though huge opportunity given overall fragmented market and still unmet needs; customer expectations will be high

- 100% forms solution scenarios across rich client, rich server and web

- Workflow, content re-use and security

Technology bets

Showcasing Longhorn

Office12 will do a great job of showcasing the major customer benefits offered by the new Windows platform. When running on Longhorn, Office12 will "light up" with functionality or features that are only available on the new version of the OS.

Because we want to make sure we do a great job of highlighting the appropriate technologies or initiatives in Longhorn, the LHP team will own doing this work, and will work closely with the Windows team over the coming months to make sure that we invest in areas that will strongly support the messaging and positioning of Longhorn to their customers.

Office Server and SharePoint

Building on the SharePoint 11 wave in 2003, Office is making its biggest investment ever in server code to extend and complete Information Worker solutions. Office's server investments will be based on the next generation of SharePoint, and at the heart of work around document lifecycle, business intelligence, search, forms, and project management. SharePoint will be the hub of the connected organization, and Office functionality will light up the Windows SharePoint experience. While our server applications will extend the reach of Office solutions to the widest set of information workers, Office12 desktop and server applications will work best when they are connected.

Our server engineering efforts will carry forward the best of Office's engineering practices and adapt them to data center deployment. IT Pros will be able deploy and manage Office server components like one server, not seven. In targeted end-to-end scenarios, shared application services will make the combined server offering more valuable than a loosely connected set of best-of-breed parts.

Services

Hosted services are a powerful way to deliver functionality to our users. As we've learned from our experience with Office Online, Watson, and SQM, the value of the digital connection provided by a service model is enormous. Services provide us with an opportunity to build tighter relationships with our customers and to continuously deliver improvements that target the most important issues faced by our customers.

In Office12, we will continue to invest in using hosted services as a way to provide great value to our customers. Beyond extending the work we have done around *feedback & assistance*, we will invest in making WSS hostable on a broad scale. We will, in partnership with the MSN team, host the service as part of an offering targeted at individuals and small businesses who do not have the infrastructure or know-how to set up and maintain a dedicated server.

Devices

The landscape of the handheld devices market has been changing rapidly and will continue to do so for the next few years. Handheld non-phone devices are on the decline as general productivity tools, and are being replaced by cellular phones with increasingly powerful operating systems, such as our SmartPhone, the Treo 600, and the RIM Blackberry. These devices can be further classified into two categories: those without keyboards, optimized for small size and only marginally practical as productivity tools, and those with keyboards, which are larger but provide a reasonable experience for occasional e-mail, note-taking, and other productivity work. The latter category is of particular interest to Office users, as the scenarios enabled by these devices typically complement the work they do in Office quite clearly. We will work with the MED team to define some key iWorker mobility scenarios and do our part to help enable them.

Engineering and process improvements

The focus of our large scale engineering improvements for Office12 is around the concept of moving quality upstream. The definition of "upstream" in this statement can be thought of in two ways:

Consistent Quality

This relates to the fact that we can no longer afford to have the quality of our product go through wild swings as we work our way through the various phases of product development. So in this case upstream quality refers to timeframe. We need to be at dogfood quality from start to finish. This will accomplish a number of things:

- It means that when we finally hit code complete and move into the pure stabilization phase, testing will not be dealing with blocking surface issues. They will be looking for and finding the deeper issues without having to wade through problem in the basic scenarios.

- It also means that we will be able to dogfood the product from day one. This will help wring out bugs which show up more easily with real use, and also help drive out usability problems which tend only to be found after living with the feature for a while.

Moving Quality Closer to the Developer

The sooner problems are found the less time and effort they take to be fixed. Another way to think of this is that the closer quality is to the actual writing of the source code by the developer, the better we will be at finding and fixing problems. This will be achieved by placing a higher bar on checkins. Every feature is expected to be at dogfood quality prior to checkin. This will be achieved by having the developer, tester and program manager work together as a team prior to checkin.

Below we provide a quick overview of two of the major changes we are putting in place in order to help accomplish the above goals. Much more detail than given here will be coming both in written document and training sessions. These descriptions are just mean to be an overview.

☑ **Big Button.** The Big Button system is meant to be the final backstop for assuring quality prior to checkin. It gives developers access to the Build Verification Test (BVT) automation suite as a means to test their code. One of the issues with our current system is that the build lab is currently the backstop for things like BVT breaks. This does allow us to produce quality builds, but it does not allow us to do it efficiently. The reason is that there is too much distance between the change made by the developer which caused the actual problem and the detection of the problem by automation. The further the distance between the two, the more inefficient we are at resolving the problem.

In order to accomplish this, every developer must have access to the appropriate automation to run against their set of changes prior to checkin. The results from those tests must also be returned in a timely manner and when problems are found they must be easily debugged. The system that will accomplish this is called Big Button.

☑ **Feature Crews.** The feature crew process is meant to bring the developer, tester and program manager together during the development portion of the milestone to work on a feature. The key is that these efforts occur in parallel and prior to checkin. The responsibilities for each are:

- Development: Implements the feature

- Test: Assures the feature is at dogfood quality

- Program Management: Assures the feature is implemented to spec

These responsibilities are no different than the current responsibilities, but the key is that each signs off on their responsibilities prior to checkin. Previously these activities tended to happen serially with the possibility of major gaps in time between each. This could lead to major problems being found after the developer has moved on to their next feature. Once again, the focus of this new process is to improve the quality of code prior to checkin.

Managing the Vision

Vision Area Coordinators (VACs)

Managing our work to deliver on the spirit of the vision areas poses some challenges. The vision areas span across organizational boundaries inside the team, creating opportunities for things to fall through the cracks, where end-to-end scenarios cease to function, communication breaks down, or overlaps lead to confusing results for our customers.

The role of the VACs is to take a cross-Office view of the work we are doing, ensuring that we stay true to the vision and that we don't allow the organizational boundaries to shine through the product. From the very start of the vision process, they have been heavily involved in determining what each vision area will encompass and which key scenarios and investment areas we will attach to each.

Specifically, the VACs will work closely with the GPMs who are responsible for the different teams that contribute technology or functionality to each vision area in order to make sure the teams are looking outward, beyond the boundaries of their own area of ownership, making sure that the work between the different teams ties together cleanly and enables the key scenarios that will define the release. As a team, the VACs will work closely together to ensure that we are managing the team's progress in an effective way and that we are balancing our investments across the different areas in a way that ensures that no area will fall short of the others.

VAC	Vision Area
JulieLar	Redefining the Office experience
ChrisPr	21st Century Documents
JonKauf	Effective Teams and Organizations
MarcO	Manage Your Time, Work and Relationships in One Place
JosephK	Unlock and Incorporate Business Information
EricLev	Breakthrough Quality and Satisfaction

Tenets

This section defines a set of assumptions that will underlie everything we do in Office12. These represent the *musts-haves* and *must-dos*, and should be universally applied across everything we do.

Security trumps everything. When faced with a design or implementation that introduces a potential security risk, we will always choose security over functionality. There is no feature important enough, cool enough, or powerful enough that it justifies exposing our users to malicious code or content.

Privacy also trumps everything. Similarly to the above tenet on security, we will not compromise our users' privacy for anything. We have some well-established privacy policies and we will follow these to the letter in everything we do.

OS and Hardware requirements remain the same. Office12 will target the same versions of the operating system (Windows 2000 or XP on the client, Windows Server 2003) as Office 2003.

Office12 will not install new system components. Office12 will work with the Office 2003 level of system components and redistributables. This is a very real customer need, and we will make sure we simplify the deployment story for Office12 by ensuring that the installation of the product does not affect the OS components. Any feature that requires new or updated system components will force the user to obtain these through WindowsUpdate, thereby considerably limiting the feature's appeal and availability.

Instrumentation for all features. We need to think of SQM and Watson instrumentation as necessary aspects of any new feature or functionality. Any work that doesn't include the ability to provide us with information about its usage should be considered incomplete.

Performance counts. Performance continues to be a key component of satisfaction for our users, and we will make sure that Office12 offers our users the responsiveness and efficiency they have come to expect of our software. We will commit ourselves to making sure the performance of key scenarios does not degrade with the new version of Office. In addition, any operation that can take longer than 1 second must provide a cancellation UI, and any operation that can take longer than 15 seconds should be made modeless if at all possible.

Flawless forward compatibility. Existing solutions, documents, and other content from Office 2003 will migrate to Office12 without modification. Content from older versions of Office will migrate as well as or better than they did to Office 2003.

Office12 is a true language-independent binary. No language-specific work should be built into the Office12 binaries. Any such code should be in locale and language-specific dlls.

Full accessibility. We will continue the work we've done around making our features available and accessible to users who require Accessibility services for Windows. In particular, we will pay special attention to this in the new UI work we will be doing.

Watson throughout the lifecycle. We will be addressing Watson issues throughout the development of Office12, but this is not a substitute for "using our heads". We will carefully track bugs found and fixed based on non-automated means and will carefully track areas that have excessive Watson traffic as potentially problematic early in the cycle.

Schedule

Below is the proposed schedule for Office12. As always, these dates are derived from the actual dates from previous releases and represent what we know is a realistic and achievable schedule.

Milestone	Start	End	Weeks
M1 Code	5/3/2004	7/12/2004	10
M1 Integrate	7/12/2004	8/16/2004	5
M2 Plan	8/16/2004	9/6/2004	3
M2 Code	9/6/2004	11/15/2004	10
M2 Integrate	11/15/2004	1/3/2005	7
M3 Plan	1/3/2005	1/10/2005	1
M3 Code	1/10/2005	3/21/2005	10
M3 Integrate	3/21/2005	5/23/2005	9
End of Coding	5/23/2005	5/23/2005	---
Beta1	5/23/2005	8/29/2005	14
Beta2	8/29/2005	12/5/2005	14
Beta2 TR	12/5/2005	3/13/2006	14
RTM	3/13/2006	5/22/2006	10