From:	Steven Sinofsky
Sent:	Sunday, April 11, 1999 7:36 PM
To:	Bob Muglia (Exchange)
Cc:	Paul Gross (Exchange), Kathleen Hebert (Schoenfelder), John Vail (Exchange)
Subject:	RE BPG Business Planning slides

Folks were anxious to see what we might come up with for Office so here's a draft. I combined the two talks into a single file for simplicity, but followed the template pretty much exactly.

PLEASE PLEASE do not forward this around yet. This is mostly for structure. In particular, I think if things work out I will have time to change from our planning framework for the technical plan to the actual product focus areas-though that will be very close.

For the Office plan, the template makes it pretty clear which slides should come 100% from marketing for us:
- business goals (not sure where those metrics can come from)
- how we will succeed (business?)
- business development (this should be piracy, SKU issues, etc.)

Are there others from marketing that we would like to include? Seems a little short on marketing content to me-even relative to what paul was asking for earlier. It is almost so short that it doesn't seem we will convey any new information at all (doesn't everyone know the numbers at this macro level?)

I think it would be good for us to have a single set of slides for "Input to the parts of Microsoft that control our business but don't work for us" (PSS, CU, and sales in particular). I took a stab at a couple of points.

I also made up a slide in the technical plan "Top Goals"--this one might be good for us to have a single one, or everyone can make up their own.

Office Plan.ppt

-----Original Message-----
From: Bob Muglia (Exchange)
Sent: Sunday, April 11, 1999 10:20 AM
To: Bob Muglia's Direct Reports (Exchange DL); Betsy Johnson (Exchange); Russell Stockdale (Exchange); Bill Mitchell; Rogers Weed; Jonathan Roberts
Cc: David Rinn
Subject: BPG Business Planning slides

I have incorporated Steve's feedback and have made a major update to all of these templates. The big change is the addition of a "business plan template" for our major businesses and then many changes to eliminate redundancy. Overall, I really like what Steve wants us to do. It is much simpler and easier to understand then the previous iteration. I didn't swing the full way but I did incorporate quite a bit of what Steve is asking for. I think if we can fill out these templates, we will be doing well.

Feedback is appreciated. Of course, we'll discuss this further this week's staff meeting.

bob

<< File: BPG Business Plan.ppt >> << File: Emerging Technologies.ppt >> << File: Individual Business Plan.ppt >> << File: Individual Technical Plan.ppt >> << File: Wave Technical Plan.ppt >>
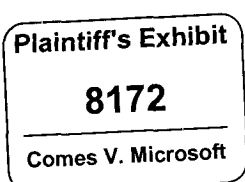
Office Business Plan

1999-2001

1

Office Business Goals

Goal	Last Year	FY '00	FY '02
Revenue			
P & L			
Share			
Cust. Sat?			
Prod. Sat?			

2

2

Sales and Field (ECU) Input

- File format changes are very painful (Access 2000)
- Year 2000 and Euro are top of mind issues
- Solutions break after version upgrades
- Improve service release delivery
- Outlook forms issues
- Notes

3

3

End-User Support Issues

Outlook

- MSN\ How To: Configure Mail Client to use MSN servers
- Fax\ Cannot Send & Receive FAX with Symantec WinFax Starter Edition
- Add or Remove\ How To: Change Mode (IMO vs WRKGRP vs PIM)
- Internet Mail (client)\ How to: Configure Client for Internet Mail
- Personal Folders\ How to: Use Personal Folders
- Fax\ How to: Configure for MS Fax
- Send & Receive\ Outgoing Mail Stuck in Outbox
- Net Folders\ How To: Share Information in NON-Exchange Environment
- _Cross Product\ How to: Import from Outlook Express
- CC:Mail\ How To: Configure for cc:Mail

Word

- Invalid Page Fault (IPF)\ IPF in MSO97.DLL
- Invalid Page Fault (IPF)\ IPF in (Application).EXE
- Hang or Lockup\ Hang or Crash Opening Specific File
- Content Presentation\ Graphic(s) displayed as "Red X"
- Open\ File contains garbage characters
- Display\ Insert Symbol Dialog Shows Squares
- _Cross Product\ How To: Batch Conversion
- Templates\ How To: Create Custom Templates
- Mail Merge\ How To: Use WordPerfect Data file
- Mail Merge\ How To: Start a Mail Merge
- Bars & Menus\ How To: Customize Bar/Menu

End-User Wish List

learnings

Outlook 97

- Macintosh - Power PC - RISC Version
- Wants Newsreader with Outlook
- Text Wrap in Calendar
- Language Localized Product
- PST to synchronize across machines
- Auto-fill addressing
- Delivery/Download Progress Indicator
- Prompt User Before Shutting Down
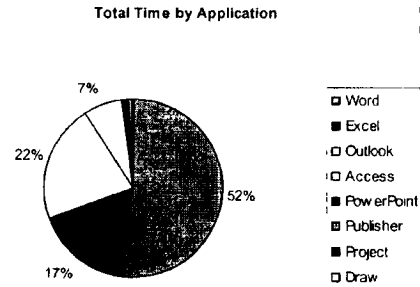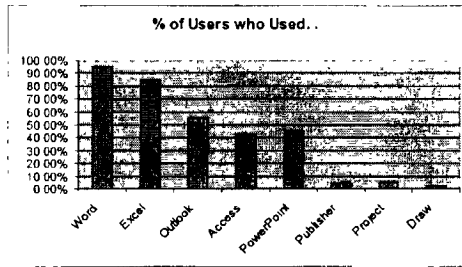- Configure for AOL Mail
- How to Configure for IMAP

Word 97

- Language Localized Product & Dictionaries (4)
- Reveal codes feature
- Ami Pro/Word Pro Converter (1), WordPerfect 7 x Conv (17)
- Translation Capabilities
- Acquire Text Directly From Scanner
- Editing\ Wish: Voice recognition/input
- Adobe Acrobat (.PDF)\ Acrobat (PDF) Import converter request
- Font Peview in Font Menu Dropdown
- HPGL (.HGL, .PLT)\ HPGL import filter
- Word 97-98 import conv for MacWord
- Save As version "N-1"
- Fonts\ Wish: Additional Colors
- Turn off Background Autoformat

Office 97 Instrumented Version

- 340 participants based on registered users April-July 1998
- Averaged 120 hours usage per participant
- Approximately 4 million user actions logged
- Tells us: what are end-users really doing with the product

IV: Application Usage

% of Users who Used. .

Total Time by Application

- □ Word
- ■ Excel
- □ Outlook
- □ Access
- ■ PowerPoint
- ▨ Publisher
- ■ Project
- □ Draw

52%

22%

17%

7%

IV: Depth of Usage

Actions By Application
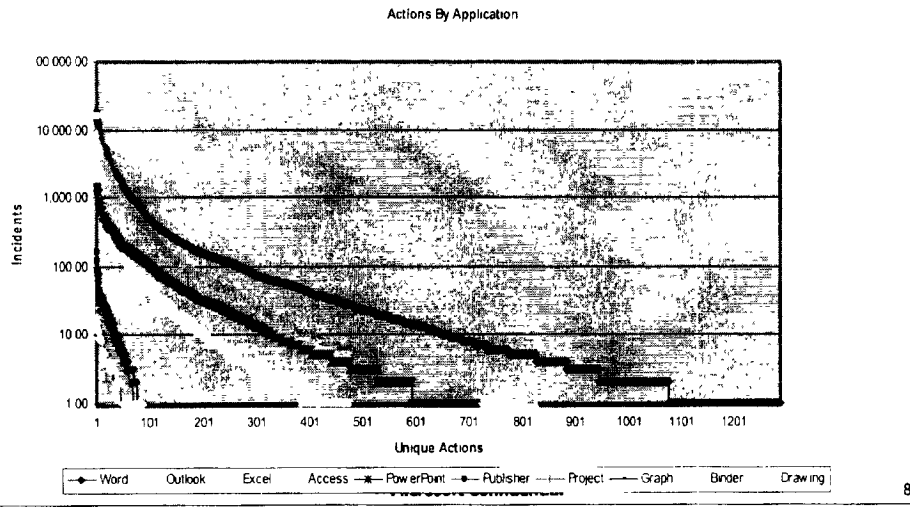
IV: Files Opened and Saved

- Word docs viewed
- PowerPoint and Excel docs saved
- Increased graphics use

9

9

IV: Top Outlook Commands
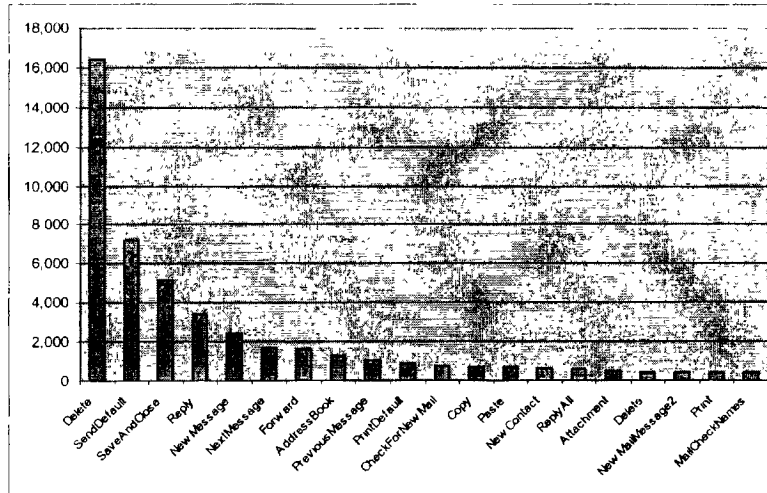
10

IV: Top Word Commands

11
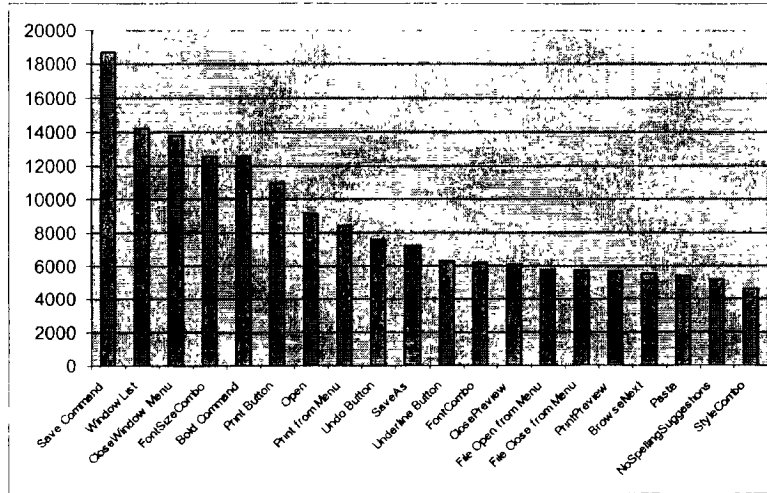
IV: Top PowerPoint Commands

IV: Frequent Help Topics

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IV: Time Using Help

Seconds spent using the Assistant
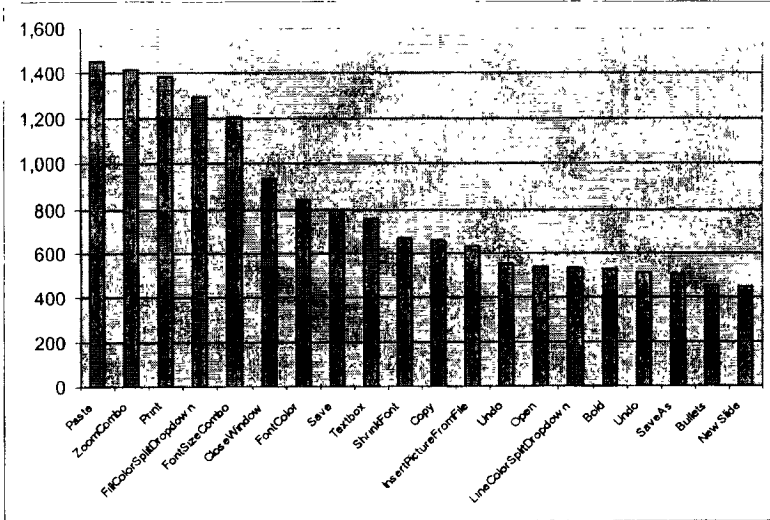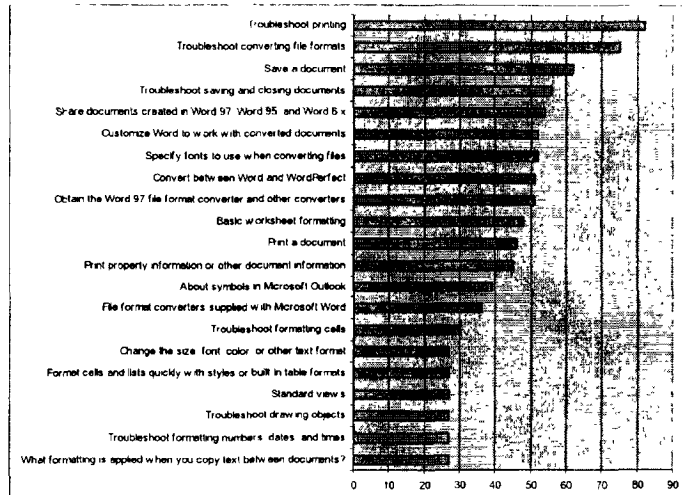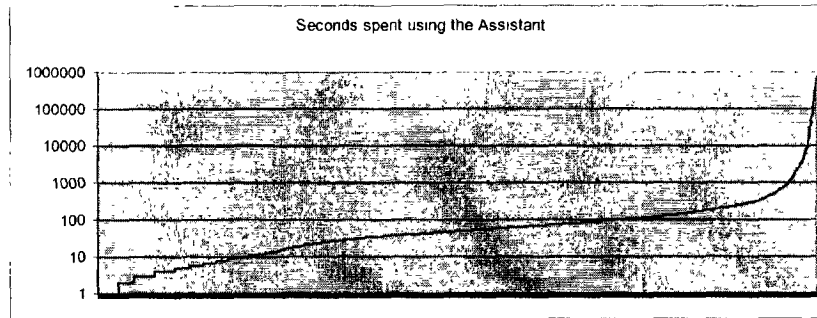
Mean = 2813
Median = 49
Mode = 4

N=340

14

The median score is most useful in this case, as most users fall near this value.

Note logarithmic scale.

Other Ongoing Research

- Office Advisory Council II
- Over 150 visits planned next 8 weeks
  - Program management, Development, Test
- Feedback from early deployment corps
  - Early round of visits during beta
  - Expect QFE and deployment issues
- Incoming end-user calls start in June
- Instrumented Office 2000 this summer
- Analyst reports and reviews

Office Competitors Overview

Competitive Space	Products
Existing Office	Office 97 and Office 2000
Category	SmartSuite WordPerfect
Component Apps	eSuite
Groupware	Its Lotus Notes Baby!
Web Services	eRoom, MagicalDesk, Visto, Involv.net and a hundred others
Hosted Services ($)	Instant! TeamRoom

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Office Competitors: Category

- Everyone: claims r/w O97 file formats
- SmartSuite
  - SmartSuite 9.5 (June): updated Organizer, ViaVoice, sync between Approach and Notes, lotus.com update service
  - FastSite web publishing, SmartCenter, ViaVoice
- Corel WordPerfect Office 2000
  - Spring release: *performance, compatibility and value*
  - Three versions: Standard, Voice-Powered, Pro
  - Includes VBA, Trellix, Print Office (DTP)

Office Competitors: Category

Competition

- All talking about Linux
- StarOffice 5.0
  - *Do Everything in One Place* **StarOffice**
  - Personal Edition **Free**
  - Cross Platform: Win, Mac, OS/2, Linux
- Just Systems Ichitaro
  - Porting IME to Linux
- ARA

Office Competitors: Corel

Competition

Component	WordPerfect® Office 2000 Standard Edition	WordPerfect® Office 2000 Voice-Powered Edition	WordPerfect® Office 2000 Professional Edition
WordPerfect® 9	✔	✔	✔
Quattro® Pro 9	✔	✔	✔
Corel® Presentations™ 9	✔	✔	✔
CorelCENTRAL™ 9	✔	✔	✔
WordPerfect Office 2000 SDK	✔	✔	✔
Adobe® Acrobat® Reader	✔	✔	✔
Microsoft® VBA	✔	✔	✔
Trellix® 2	✔	✔	✔
Dragon NaturallySpeaking™		✔	✔
Corel Print Office™		✔	✔
NetPerfect®			✔
Paradox® 9			✔

Office Competitors: Other Products

- eRoom 4.0
  - Ships real soon now
  - Integrates better with Office 2000
  - $9,995 per server, $199 per client
- Adobe Acrobat
  - We see it everywhere
  - Lots of requests for Save As PDF
- HTML and XML editors
  - Capture "coolness"
  - WordPerfect 2000 and XML structure
  - Still momentum for dedicated HTML editors

Office Industry Perception

- Current Perception
  - "Old World", "Bloatware"
  - Too many features
  - Not exciting
  - <u>Required</u> for business (file formats)
- Improving Perception
  - Transition to the web
  - Personalized interface
  - Continue industry analyst buy in efforts
    - Failure: Tom Austin, Michael Miller
    - Success: David Cearly, David Coursey

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Worries About Office 2000

- Quality Bar
  - Better than ever, but the bar keeps going up
  - Compatibility
- Administration and Deployment
  - Darwin setup solves MANY problems but what new ones did we introduce
- HTML
  - Is it "pure" HTML and cross-browser challenges
  - Need for web server infrastructure / adoption
- Many external issues: Windows 2000, Y2K, etc.
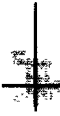
Office How Will We Succeed?

- Business

- Product
  - Support Office 2000: QFE, SR
  - Build support for Office10 with constituencies
- Help We Could Use
  - Improved collection of PSS call data
  - Improved communication of *ad hoc* collaboration via webs
  - Improved communication of Office's strengths rather than limitations (especially Outlook)
  - Improved High-Level Knowledge of Office (CIO)

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\<business\> Business Development

- Pricing issues
- Packaging
- Partnerships
- Sales force initiatives

Office Headcount at RTM

Resources

Headcount Type	Regular	Other
App Access Features	21	2
App Excel Features	20	
App Liquid Motion Features	22	8
App Outlook Features	104	16
App PowerPoint Features	31	3
App Word Features	30	1
DAD Management	26	
Product Planning	15	2
QFE	18	3
Shared Base Technology	45	10
Shared Data Access / Visualization	81	2
Shared Design & Usability	31	6
Shared HTML and Web	87	3
Shared Office Art	20	3
Shared Programmability	32	3
Shared Release	41	14
Shared TCO	66	2
Shared Text Services	16	5
Shared UI & Assistance	42	2
Shared Web Server	42	3
WorldWide / Far East	38	13
App Outlook Cross-Platform	5	3
Grand Total	833	104

Job Name (Full Time)	
Software Test Engineering	291
Software Design	320
Program Management	140
Software Design in Test	17
Product Usability	17
Administrative Services	16
Product Design	15
Product Planning	12
Grand Total	828

Office Shared Feature Teams (FT)	Dev	Test	PM
UIA	20	16	5
TCO	24	19	8
Release	5	13	13
Web Client	16	11	5
Web Server	12	12	6
Programmability	5	9	2
Base	18	19	
QFE	6	7	
Design and Usability			30
Grand Total	106	106	69

Core Office 2000 Disciplines		
Development	320	39%
Testing	308	38%
Program Management, Planning	184	23%
Grand Total	812	100%

Cost Ctr Manager	All
Andrewk	79
DuaneC	107
GrantG	130
KurtD	192
RalfHa	225
RichardM	164
Grand Total	897

Numbers do not always add up

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Office 2000 Ireland

Resources

	97	2000	Improved
Agency Costs	$263K/ language	$227K/ language	14% better
Regular Heads	344	335	55% better at projects per head
Projects	129	195	

Language	TTL O97	TTL O2000	Improvements
German	$ 1,839,148	$ 1 192,423	35%
French	$ 2 275,065	$ 1 034,854	55%
Spanish	$ 2 990,505	$ 1 552,981	48%
Italian	$ 1 672 120	$ 1,108,330	34%
Dutch	$ 2,186,488	$ 1 340 601	39%
Portuguese Brazilian	$ 1 883,153	$ 1,512,876	20%
Swedish	$ 2 305,926	$ 1,222 209	47%
Danish	$ 2,746,440	$ 1,072,719	61%
Czech	$ 871 370	$ 671,110	23%
Polish	$ 931 262	$ 643 981	31%
Norwegian	$ 2,874,167	$ 1,197 301	58%
Finnish	$ 1,902,382	$ 1,057,240	44%
Portuguese Iberian	$ 1,529 466	$ 1,143 679	25%
Russian	$ 667 890	$ 604 897	9%
Thai	$ 1,500,000	$ 1,556 394	-4%
Arabic	$ 2,128,128	$ 1,521 016	29%
Hebrew	$ 1 989,104	$ 1,431,419	28%
Hunganan	$ 852,024	$ 567,366	33%
Turkish	$ 497,056	$ 509 564	-3%
Greek	$ 889,315	$ 555 260	38%
Slovene	$ 506 250	$ 402,958	20%
Slovak	$ 318,799	$ 259 417	19%
Romanian	$ 78,310	$ 330,537	-322%
Croatian	$ 42,765	$ 314,826	-836%
Serbian	$ 16,383	$ 11,047	33%
Estonian	$ 26,698	$ 21 625	19%
Lithuanian	$ 4,984	$ 72,780	-1360%
Latvian	$ 5,122	$ 78,780	-1321%
Total	$ 35,530,320	$ 22,982,189	35%

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Office10 Resource Changes

- Increase
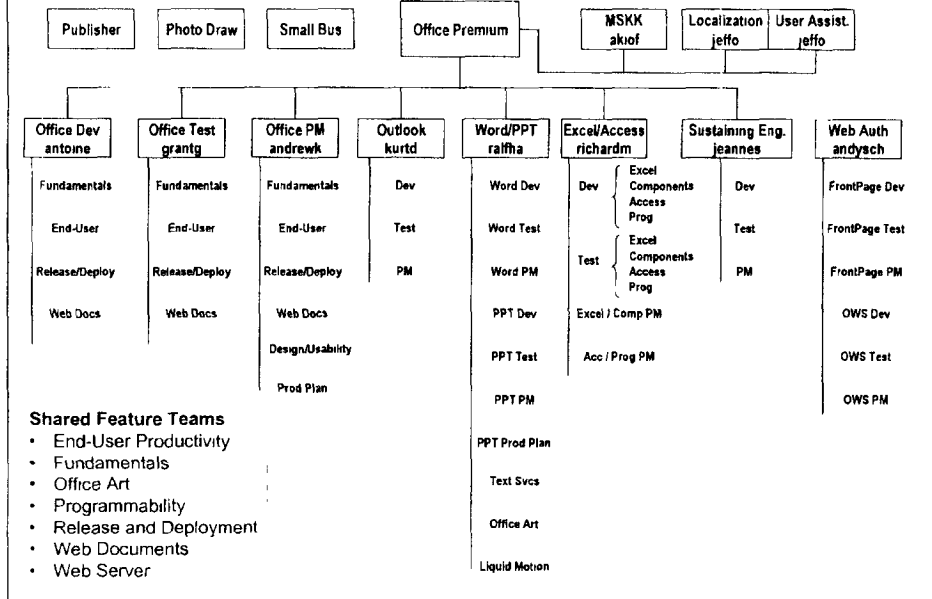 - Programmability (5 SDE to 16+ SDE)
  - Web Server including FrontPage (21 SDE to 26 SDE)
  - Text services investment in table layout
- Decrease
  - TCO (2), Web Client (2), Word (2), Data Access and Access features (TBD)
  - Contingent staff across the board (conversions TBD)
- Neutral
  - Move Outlook shared feature work to Office (10)
  - Consolidate QFE efforts to Sustaining Engineering

Office10 Organization

Resources

| Publisher | Photo Draw | Small Bus | Office Premium | MSKK akiof | Localization jeffo | User Assist. jeffo |

Office Dev antoine	Office Test grantg	Office PM andrewk	Outlook kurtd	Word/PPT ralfha	Excel/Access richardm		Sustaining Eng. jeannes	Web Auth andysch
Fundamentals	Fundamentals	Fundamentals	Dev	Word Dev	Dev	Excel Components Access Prog	Dev	FrontPage Dev
End-User	End-User	End-User	Test	Word Test	Test	Excel Components Access Prog	Test	FrontPage Test
Release/Deploy	Release/Deploy	Release/Deploy	PM	Word PM			PM	FrontPage PM
Web Docs	Web Docs	Web Docs		PPT Dev	Excel / Comp PM			OWS Dev
		Design/Usability		PPT Test	Acc / Prog PM			OWS Test
		Prod Plan		PPT PM				OWS PM
				PPT Prod Plan				
				Text Svcs				
				Office Art				
				Liquid Motion				

Shared Feature Teams
- End-User Productivity
- Fundamentals
- Office Art
- Programmability
- Release and Deployment
- Web Documents
- Web Server

Other Resource Issues

- **Discretionary Spending**
  - All flat at FY99 per head levels
- **Temp Conversion**
  - Don't expect to convert all temps, but reallocating work to existing full time
- **External Development**
  - Continue to purchase rather than license
  - Reduce non-DAD code to a minimum
- **Acquisitions**
  - Another FrontPage would be great! ☺

Office 2000 Postmortem

- Results on the way...
- Improvements being worked on
  - Build / Test / Release cycle (key morale driver)
  - Dependency on Installer at development time
  - Continue to isolate partnerships and minimize multiple owners
  - No new system components shipped, but new components required for new features

Office Technical Plan

1999-2001

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Top Goals in Major Areas

Product	Microsoft	Customers	Team
• Excite IEUs • 100% compatible in every single way • Same or better performance (v. Office 2000)	• Credible part of BPG wave • Manage strategic initiatives well • Ship when we say we will ship	• Better handling of QFEs and other satisfaction issues • 100% compatible in every way • Solve business problems out of the box	• Re-engineer build process • Understand major dependencies up front • Clear ownership of major initiatives

Big Bets

- Groupware Infrastructure: Exchange Platinum+PKM, Windows 2000 Server
- Departmental Webs: FrontPage and Office Server Extensions
- Web Services: MSN
- Continued Bets
  - Universal viewing
  - Office's code base
  - Office Premium
- No Operating System Redistributables

Office 2000 Releases

Plans

- Goal: Flawlessly execute service releases
  - "No new features"
  - Completely documented list of fixes
  - Management patch distribution
  - Include all QFEs to date
  - Worldwide
- Timing
  - SR1 window: June-December
  - SR1 or 2 window: timed with Windows 2000
  - SR3 window: six months after SR1/2

Office 2000 RTM Deltas

Office 2000 Sustaining Eng. Plans

- Created new team led by JeanneS
- 15 people today
- Includes
  - QFE, DCR tracking and relationships
  - SR gatekeeper
- Office 97 (and Outlook 98) shipped ~600 QFEs to ~200 different customers
  - Over 200 Outlook QFEs

Office10 Schedule Thoughts

Office 2000

Month	Accomplishments
Nov-96	RTM US Office 97
Dec-96	Announce SFT, "Accomplishments" and "What's Next"
Jan-97	Leaders and teams in place
Feb-97	BradSi offsite, team focused offsites
Mar-97	Page 1 specs starting, cross team meetings
Apr-97	Vision produced, 4/15 BillG review
May-97	Dev schedule starts, MM1
Jun-97	MM1
Jul-97	MM1
Aug-97	MM1
Sep-97	MM2
Oct-97	MM2
Nov-97	MM2
Dec-97	MM3
Jan-98	MM3
Feb-98	MM3
Mar-98	MM3, Code Complete
Apr-98	
May-98	
Jun-98	Beta I
Jul-98	
Aug-98	ZBR
Sep-98	
Oct-98	ZBR 2
Nov-98	Beta II
Dec-98	
Jan-99	
Feb-99	RC0
Mar-99	RTM US Office 2000

Office10

Month	Goal
Sep-98	NRO
Fall-98	Design Team
Mar-99	RTM US Office 2000
Apr-99	Announce SFT "Accomplishments" "What's Next"
May-99	Vision
Jun-99	Dev schedule starts, MM1
Jul-99	MM1
Aug-99	MM1
Sep-99	MM1
Oct-99	MM1 / MM2
Nov-99	MM2
Dec-99	MM2
Jan-00	MM2
Feb-00	MM2 Code Complete
Mar-00	Beta 0
Apr-00	ATG Wave I
May-00	
Jun-00	Beta 1
Jul-00	
Aug-00	
Sep-00	
Oct-00	
Nov-00	
Dec-00	RTM US Office 10
Jan-01	
Feb-01	
Mar-01	ATG Wave II

Plans

Office 10 Framework

Plans

- Delivering on the promises of Notes using Office and BackOffice
- Creating killer web sites for knowledge workers and IEUs
- Innovating the customer's Office experience by integrating new technologies
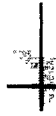- Nailing the fundamentals by making Office better at core functionality

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Customer Segments

Promises of Notes	CIO, Analysts / Influentials, BDM, Solution Provider
Killer web sites	IEU, BDM
User-Experience	IEU
Fundamentals	End-user, IT Professional

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Challenge: Office and Servers Plans

- Three main server infrastructures
  - Groupware
  - Hosted webs
  - Web services (BFW)
- Goal
  - Shared experience for core scenarios
  - Appropriate features

Groupware
Exchange

Hosted webs
FrontPage

Services
MSN

Office10

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40
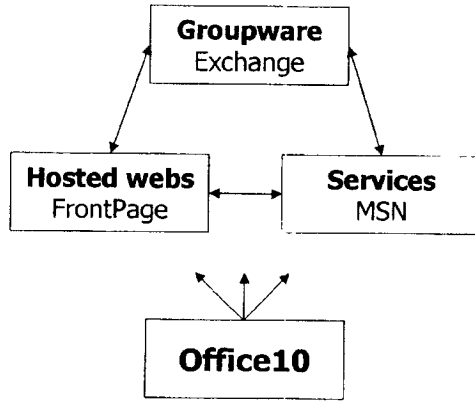
Delivering on the Notes Promise **Plans**

- We're way behind, time to catch up
    - This is a multi-release challenge
- Goal: Build a better Notes than Notes

Server	Domino	Exchange Platinum
Rich Client	Notes	Outlook
Thin Client	Internet Explorer	Internet Explorer
VAR/SP Tool	Domino Designer (aka Notes)	Outlook + Script Editor
End-User	Templates (doclib, issue list, discussion)	Templates – match, but w/ easier customization