

Butler Group ▶
a **Datamonitor** Company



Document Collaboration

Linking People, Process, and Content

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SECTION 1: Management Summary

► 1.1 MANAGEMENT SUMMARY

CATALYST

Documents, in whatever format they may exist, are an integral part of every business and institution. Indeed, organisations that cannot manage the production of documents effectively, efficiently, and diligently, risk a great deal more than poor business performance. To date, Electronic Document Management Systems (EDMSs) have helped organisations improve internal efficiency; however, extending these systems to partners and stakeholders has proved much more difficult. Internet connectivity now provides the information worker with incredible reach, but productivity is still constrained by the collaborative range of office productivity tools and ingrained working practices. The time has come for Document Collaboration to now move on from simple collaborative exchanges to sophisticated collaborative experiences.

KEY POINTS

- Information workers spend up to 30% of their working day just looking for data they need to complete a task, and 15-25% of their time on non-productive, information-related activities. Both figures are untenable positions for any organisation.
- The interest in on-line collaboration solutions has clearly accelerated since the terrorist attacks on New York and London, and this has resulted in a plethora of new products on the market and a new eagerness from established vendors.
- Wikis and blogs are here to stay, and so Butler Group believes that document authoring and collaboration tools must integrate fully with these new paradigms. Furthermore, organisations must cast off the restrictions and limitations imposed by the omnipresent notion of the paper document if real advances are to be made.
- Business Process Management (BPM) and workflow are important enablers of more formal Document Collaboration processes, and have the potential to dramatically improve operational efficiency and compliance. Moreover, these facilities can help bring together the otherwise separate worlds of process and content.
- Organisations must extend the reach and range of their Document Collaboration capabilities in order to support high-value, low-overhead joint ventures and collaborative commercial undertakings.
- Compliance increasingly dictates that every aspect of the lifecycle of a document is fully audited and this takes on additional significance in collaborative environments.
- Less than six months after its adoption as an international standard, OpenDocument Format (ODF) has achieved growing acceptance as the document format of choice for governments around the world.
- In commercial and regulated environments, control of the Document Collaboration process is essential for business wellbeing and compliance reasons, and yet many organisations fail to address these issues, preferring instead to leave it up to the individual to self-regulate their actions.
- Datamonitor estimates the size of the Content Management market to be US\$1.46 billion in 2007, rising to US\$1.98 billion by 2010. Butler Group estimates the Document Collaboration segment of the current market to be 40%, which is US\$586 million.
- The evolution of Software as a Service (SaaS) and on-line solutions, such as Google Docs & Spreadsheets, Confluence, FilesAnywhere, WikiPad, and StikiPad, will make the World Wide Web an increasingly important environment for Document Collaboration.

Introduction

A common business function links all organisations: Document Collaboration. Documents, in whatever format they may exist, are an integral part of every business and institution. Indeed, organisations that cannot manage the production of documents effectively and efficiently risk a great deal more than poor business performance. Organisations cannot exist without documents, and therefore the efficacy with which documents are created, revised, and published should be of the utmost importance to business managers.

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To date, Electronic Document Management Systems (EDMSs) have helped organisations improve internal efficiency, but extending such systems out to partners and stakeholders has proved much more difficult. Technology issues, business constraints, and information formats combine to make the job of Document Collaboration a much more arduous one than it should be, and this in turn often creates a feeling of futility and frustration in most information workers today.

The business value of any collaborative endeavour is clearly and undeniably embodied within the business value of the end-product, and so in the ultra-competitive 'new world of work', Document Collaboration tools and

technologies must support, encourage, and facilitate high-value interactions in a manner that ensures information confidentiality, integrity, and accessibility.

Business Issues

Over the years, the notion of collaboration has been responsible for some of the most Utopian and naïve visions of what IT can deliver into the enterprise, and yet organisations continue to seek out new means by which that most expensive of all human corporate resources – i.e. the information worker – can become more efficient, effective, and productive. Four or five years ago, corporate IT managers were focusing on internal corporate collaboration solutions, Content Management, and Web conferencing products, and as a result the Enterprise Content Management (ECM) market sprang forth. Today, however, senior managers are looking for ways to reduce the excessive cost and complexity of high-level business interactions, and those scenarios relating to Document Collaboration in particular.

The environment of the information worker has changed considerably over the last ten years. Redefined by the Internet, more powerful desktop software, computing systems, wireless connectivity, and a proliferation of mobile devices from laptop computers to smart phones, the definition of a workplace or team now cuts across locations, organisations, and time zones. The office is no longer a fixed location or a dedicated room within a building: the office is any place where the employee creates, shares, and stores information, and collaborates with colleagues, partners, customers, and others on projects and business processes.

Whilst social, political, economic, and demographic trends continue to transform the business landscape, companies and institutions are still challenged to achieve success according to traditional measures: profitability, market share, service delivery, and customer satisfaction. Many organisations now operate in a global market, and as business models continue to evolve, so business leaders look to their IT suppliers for tools and technologies that will empower the individuals within their organisations to make a difference.

Technology Features

To date, Electronic Document Management Systems have helped organisations improve internal efficiency, but extending such systems out to partners and stakeholders has proved much more difficult. The current emphasis on compliance with legislative and regulatory frameworks has, however, brought the discipline back into sharp focus. As a result, organisations are now starting to develop holistic strategies that encompass all aspects of the document lifecycle.

The simple provision of collaborative-working tools, technologies, and infrastructure, does not in itself make collaboration happen, nor will it. However, the mere fact that collaboration and interaction is possible does in itself have value. The value of any collaborative endeavour is embodied within the value of the end-product, which is itself a reflection of the value of the individual transactions and exchanges between participants. Therefore, Document Collaboration tools must encourage and support high value transactions, and also the sharing of commercially valuable and sensitive information.

Butler Group would argue that the initial value of a Document Collaboration tool or facility is proportional to the number of people with which it allows the user to connect and engage. However, with the real value of such a solution clearly linked to the individual's ability to exploit it, training becomes without doubt one of the most important enablers of effective Document Collaboration.

Architectures, Models, Standards, and Strategies

Several factors are combining to drive the need for a range of application deployment options in order to accommodate a broad range of business scenarios. Users require access to collaborative applications from a diverse set of locations and client types. The traditional approach of installing a Windows-based application onto a desk-bound PC is no longer sufficient to accommodate the range of situations in which information workers find themselves. Furthermore, organisations are having to become far more adaptive and agile, and as a result need to think beyond the confines of the traditional corporate desktop PC. And so, organisations should consider adopting application deployment strategies based on business scenarios and requirements in order to exploit the broad set of application delivery architectures now possible.

The challenge for Document Collaboration technology is to facilitate the creation, collation, revision, and distribution of business documents. Furthermore, it must support these activities across a broad set of usage scenarios and in a manner that does not impose undue burden on the participants – either technically or procedurally. Although Document Collaboration between different organisations is a common business requirement, many information workers still find the activity overly demanding as a result of using tools that were not conceived in the Internet age.

In May 2006, the International Standards Organisation approved a standard file format – OpenDocument Format – to be used worldwide for the storage of files produced by office software (word processor documents, spreadsheets, presentations, drawings, etc.). For the first time in the history of computing, software users will be guaranteed that they will be able to use their data in any compliant software package, both now and in the future. However, whilst politics may well determine that support for ODF becomes *de rigueur* at some point in the future, Microsoft Office file formats will continue to be the *de facto* standards of the present.

Employees must be able to quickly and easily locate the information they require to complete a given task or to support business decision-making. Furthermore, allied with this search and discovery aspect of information work is the ability to distribute, share, and collaborate on this information with colleagues and third parties. Moreover, many business decisions require input, opinion, and expertise from more than one person, and so an organisation's Document Collaboration strategy will undoubtedly have a major bearing on business success.

Market Issues

The market for Document Collaboration is large but immature. In this market, many still rely heavily on e-mail as the main method of distributing documents, with little control exercised over their management and version control. Whilst many continue to collaborate in an *ad hoc* way, more advanced organisations are changing to structured methods for Document Collaboration.

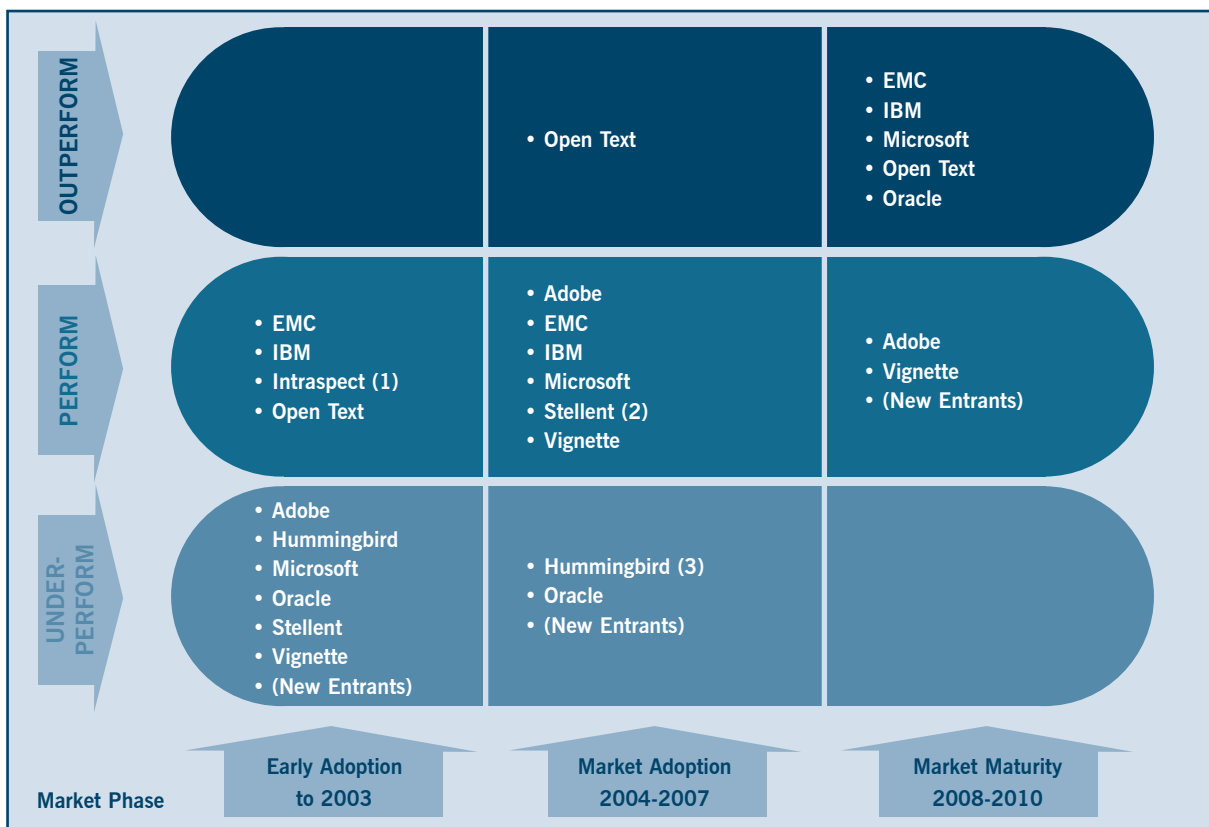
The market is driven by the need to stem the rising tide of information that is flowing around and out of corporations in an unstructured and uncontrolled manner via e-mail and Instant Messaging (IM). The ultimate aim is to maximise benefits from corporate knowledge and information whilst streamlining everyday processes and increasing employee productivity.

There is widely-varying demand for Content Management and related Document Collaboration technologies across industry sectors, with the higher end of the market driven by external factors such as compliance requirements and geography. Butler Group believes that the lower levels of demand in other sectors indicate lack of clarity and ambiguity about Document Collaboration. Many companies are still working on automating their processes which, when completed, will create the right environment for Document Collaboration, leading to increased demand. As the market matures and users get a clearer vision of what they need, we are likely to see more industry-specific applications emerging. These solutions will meet a growing demand that is estimated to reach US\$1.98 billion by 2010.

Whilst competition to dominate the collaboration market intensifies amongst large players, disruptive solutions based on Peer-to-Peer (also known as P2P) functionality will force organisations to re-think their collaboration strategies. Collaboration functionality will be componentised, allowing easy integration with Line-of-Business (LOB) applications. In the meantime, more standards will emerge to improve collaboration functionality amongst products. There will be a change towards on-line, hosted/SaaS solutions, with the World Wide Web increasingly taking on a user-centric profile, enabling easy and seamless Document Collaboration, and challenging the dominance of desktop applications.

Butler Group Document Collaboration Market Lifecycle Ratings

The Butler Group Document Management Market Lifecycle Ratings chart lists vendors in three distinct bands (Outperform, Perform, and Under-perform), and three distinct market phases (Early Adopter, Market Adoption, and Market Maturity).



Notes: (1) Intraspect was acquired by Vignette in 2003.
 (2) Stellent was in the process of being acquired by Oracle in November 2006.
 (3) Hummingbird was acquired by Open Text in 2006.

Product Performance Table – Market Adoption

With the release of the 2007 Microsoft Office system, the ongoing cycle of vendor acquisitions in the ECM market, and the emergence of new Web-based Document Collaboration platforms, the dynamics of this market are far from predictable. However, by considering the momentum, direction, and strategies of vendors in this market, Butler Group is able to offer an expert view in terms of their performance over the immediate and medium term – the Document Collaboration Market Adoption phase (2004-2007).

Rating	Company/Solution	Butler Group Opinion
Outperform	Open Text Livelink ECM – Collaboration	As one of the leading ECM vendors, Open Text provides its Document Collaboration features as a core part of its Livelink ECM platform, and for Open Text, collaboration is a major focus of Livelink ECM. The company has developed applications to address the business needs of specific market verticals, such as pharmaceuticals, construction, financial services, Government, and energy. Document Collaboration focuses heavily in many of the processes that these verticals need to undertake and is reflected in the solutions.
Perform	Adobe Adobe Acrobat Family	Adobe's offering to the collaboration market now centres on the Adobe Acrobat family: an amalgamation of Adobe Acrobat 8 and Adobe Acrobat Connect. These are sophisticated Document Collaboration tools, and when combined, the solution set enables information workers and business professionals to collaborate through the ubiquitous Portable Document Format (PDF) electronic document format in real-time.
	EMC eRoom Collaboration	EMC is one of the leading ECM vendors, and its collaboration offerings are based on its eRoom Collaboration product, which is available in three different forms. For organisations that have a requirement for heavy duty document management, Butler Group feels that deploying collaboration within the Documentum platform will be the most appropriate solution, particularly if some of the documents will later become records or will be subject to formal retention periods.
	IBM Notes/Domino, Workplace Collaboration Services, QuickPlace	IBM has been in the collaboration market for many years, and offers a range of products, technologies, and solutions to meet the many and varied needs of today's information worker. Lotus Notes/Domino continues to evolve and adapt to meet the ever changing requirements of the information professional, and as a result this platform is ideally suited to information-heavy organisations. A modular offering, Workplace Collaboration Services, offers good reach and range, and would suit large organisations in either the public or private sectors. QuickPlace fills the gap between Domino and Workplace, and provides information workers with a self-service Web site that is well suited to the task of Document Collaboration.

Rating	Company/Solution	Butler Group Opinion
Perform (continued)	<p>Microsoft 2007 Microsoft Office system</p>	<p>Microsoft Office has evolved from a suite of personal productivity tools into the 2007 Microsoft Office system – an integrated collection of programs, servers, and services. The 2007 Microsoft Office system delivers optimum value when all of the components are used together, and collectively they can help organisations address a broad range of information worker requirements. Taken as a whole, this ‘system’ adds-up to a very competitive and compelling information worker technology stack, and yet if one considers the various elements separately, then there is very little that could be truly described as outstanding or revolutionary.</p>
	<p>Stellent Collaboration Management</p>	<p>The recently announced agreement by Oracle to acquire Stellent is expected to add complementary solutions to Oracle’s portfolio. Stellent’s Universal Content Management solution is highly content focused, with an established presence in the ECM market. It also provides leading-edge technology for Digital Rights Management. Stellent’s solutions, however, lack Oracle’s real-time and asynchronous functionality. The acquisition brings with it some overlapping functionality too, in areas such as shared workspaces. Butler Group expects Oracle to merge the overlapping functionality to deliver a unified but enhanced solution set in the near future.</p>
	<p>Vignette Vignette Collaboration</p>	<p>Vignette is one of the major ECM vendors and Vignette Collaboration is a scalable and configurable enterprise software application for the management of collaborative document and content creation, teamwork, Knowledge Management, and collaborative business processes. Vignette Collaboration provides secure, Web-based, shared workspaces that interface with desktop solutions, document folders, e-mail, calendaring applications, and IM. The functionality provides the means for knowledge workers to easily communicate with each other in the context of their business information, be it collaborative projects, compliance and other risk mitigation activities, knowledge sharing, customer services, or other requirements, using everyday personal productivity tools that many are familiar with.</p>

Rating	Company/Solution	Butler Group Opinion
Under-perform	Open Text Livelink ECM – eDOCS Collaboration	The recent acquisition of Hummingbird by Open Text has resulted in a major re-branding exercise. Livelink ECM – eDOCS Collaboration provides organisations with collaborative features that allow secure and document-centric collaborative workspaces to be set up that can be used both for major project work and for smaller collaborative topics within the enterprise or between an organisation and its partners.
	Oracle Collaboration Suite, Content DB, and Records DB	Oracle's Document Collaboration functionality is provided through three product sets which sit on top of the Oracle Database and leverage the Oracle platform to provide comprehensive functionality in this area. These solutions bring together shared work spaces, Web conferencing, document and records management, unified messaging, IM, and calendaring functionality in an integrated, collaborative environment. The solutions offer flexibility through their Service Oriented Architecture (SOA), allowing integration with other applications. Oracle's acquisition of Stellent will undoubtedly propel the company into the Perform category within the next 12 months.

This Report reveals:

- How investments in Document Collaboration solutions can deliver real business benefits and improve competitive advantage.
- Why organisations must extend the reach and range of their Document Collaboration capabilities.
- The strengths and weaknesses of different approaches to Document Collaboration.
- Why no single Document Collaboration product, solution, or vendor can satisfy every organisation's needs.
- Where Document Collaboration technologies should be positioned within the organisation's IT infrastructure framework.
- How Document Collaboration products can be used to enhance line-of-business applications.
- The key vendors, products, and technologies in the Document Collaboration market.
- Why Business Process Management and workflow are still important aspects of Document Collaboration.
- How peer-to-peer tools and technologies can solve business problems that centralised systems cannot.
- How Software as a Service (SaaS) will impact upon the traditional Document Collaboration market.

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Analysis without compromise

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