Everything You Need to Know About Office 2016 and Office 365

With more versions and types of Office than ever, it can be tough to weed through the details and features and figure out which one is right for your company. Start the decision making with this guide.
Office is Everywhere

There are more versions and types of Office than ever before, which means companies of all sizes have some decisions to make when they migrate to a new version of Microsoft’s productivity suite.

The Office of local desktop fame is not the only option anymore. There’s also the cloud-based Office 365 that companies can subscribe to, and different Office 365 versions match or surpass the feature set that comes with Office 2016. The Word, Excel and PowerPoint applications that users interact with in Office 365 look just like their Office 2016 counterparts, so user training doesn’t need to be a factor when businesses decide between the two.

Another key change to the Office setup is that shops can choose between the desktop and mobile versions. All these versions bring up an important question: how to decide which one is the best fit.

In choosing between Office 2016 and 365, companies should consider that the cloud-based option lets users access and save data how and when they want to, which could be a productivity boon in companies without strict compliance regulations. Monthly Office 365 costs are also predictable and easy to budget. On the other hand, Office 2016 versions just have the upfront licensing cost. One benefit of the Office 365 business versions is that companies can switch between them to add storage or features whenever they want, whereas Office 2016 on the desktop is static.

Businesses can run the desktop version on desktops and the mobile one on mobile devices if they want, but the mobile version actually works well on desktops too. Instead of doing both, companies can run the mobile version on all of users’ devices, which can decrease management headaches and simplify deployment. Mobile versions of Office do have a less-robust feature set, however.
One thing companies can worry less about in Office 2016 is security. Microsoft added email and file encryption, as well as multi-factor authentication. The new Office security features won’t allay every security concern, but they can certainly help.

Are you ready to pick an Office version? Get all the details on features and functions in this three-part guide.

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Getting to Know Office 365 and 2016 Versions

There was a time when purchasing Microsoft Office licenses was a straightforward process. Today, however, there is a daunting array of options available to those who wish to use Microsoft’s flagship productivity suite.

Microsoft offers Office on PC, Mac and a variety of mobile platforms, although mobile versions are not as full-featured as the PC and Mac versions. Furthermore, you can purchase a perpetual license for Office, or you can get Office as a part of an Office 365 subscription.

Office 365 Home is a subscription-based Office 365 plan licensed for home users. This plan, which costs $99.99 per year or $9.99 per month, includes Word, Excel, PowerPoint, Outlook and OneNote. It can be installed on five PCs or Macs, five tablets—Windows, Apple iPad or Google Android—and five phones.

Office 365 Personal is another Office 365 plan that is licensed for home use. Like Office 365 Home, Office 365 Personal includes Word, Excel PowerPoint, Outlook and OneNote. However, this subscription is licensed for use on a single PC or Mac, one tablet and one phone. Office 365 Personal costs $69.99 per year or $6.99 per month.

Office 365 Business is a subscription-based plan that sells for $8.25 per user per month with an annual contract, or $10.00 per month without a contract. It includes Word, Excel, PowerPoint, Outlook, OneNote and Publisher. Office Business is licensed for installation on five PCs or Macs, five tablets and five phones. In addition, the subscription includes OneDrive for Business, Office Online and Sway.

Office 365 Business Essentials is a subscription-based plan that sells for $5.00 per user per
month with an annual contract, or $6.00 per user per month without a contract. Unlike other Office 365 plans, Office 365 Business Essentials does not include the Office applications. The plan includes Outlook Web App, OneDrive for Business, online conferencing, Skype for Business, Yammer, Office Online, Planner, Sway and Delve.

**Office 365 Business Premium** is a subscription-based Office 365 plan that sells for $12.50 per user per month with an annual contract, or $15.00 per month without a contract. The plan includes Word, Excel, PowerPoint, Outlook, OneNote, Publisher and Skype. The plan allows each user to install Office on five PCs, five tablets and five phones. In addition, this plan also includes Outlook Web App, OneDrive for Business, online conferencing, Yammer, Team Sites, Office Online, Planner, Sway and Delve.

**Office 365 Pro Plus** is a subscription-based plan that includes Word, Excel, PowerPoint, Outlook, OneNote, Publisher, Skype and Access. This subscription plan costs $12 per user per month and allows each user to install Office on five PCs, five tablets and five phones. In addition, this plan also includes OneDrive for Business, Office Online, Sway and Power BI.

**Office 365 Enterprise E1** is an enterprise-grade Office 365 subscription that sells for $8.00 per user per month; an annual contract is required. Unlike most of the other Office 365 subscription plans, this one does not include the Office applications.

Office 365 Enterprise E1 includes Outlook Web App, Online Meetings, meeting broadcast, Skype for Business, OneDrive for Business, Team Sites, Yammer, Office Online, Planner, Sway, Delve, Office 365 Video, and Apps for Office and SharePoint. Other services can be added to the plan for an additional fee.

**Office 365 Enterprise E3** is a more fully featured Office 365 subscription plan and sells for $20.00 per user per month. Like the E1 version, an annual contract is required. This plan includes Word, Excel, PowerPoint, Outlook, OneNote, Publisher, Skype and Access. The plan allows each user to install the Office
applications on five PCs or Macs, five tablets and five phones.

In addition, this plan includes Outlook on the Web, Exchange Server Online, Online Meetings, meeting broadcast, Skype for Business, OneDrive for Business, Team Sites, Yammer, Office Online, Planner, Sway, Delve, Office 365 Video, mobile messaging, application management, Power BI, and Apps for Office and SharePoint. Additional services are available at an extra cost.

**Office 365 Enterprise E5** is Microsoft’s most comprehensive Office 365 plan. This plan, which sells for $35.00 per user per month (annual subscription required) includes Word, Excel, PowerPoint, OneNote, Publisher, Skype, and Access. The plan allows each user to install the Office applications on five PCs or Macs, five tablets and five phones.

The plan also includes Online Meetings, meeting broadcast, public switched telephone network (PSTN) conferencing, Modern voice with cloud PBX, Skype for Business, Exchange Server Online, Advanced Security, Power BI, OneDrive for Business, Team Sites, Yammer, Office Online, Planner, mobile messaging, app management, Sway, Delve, Office 365 Video, Apps for Office and SharePoint, Compliance Center, and voicemail integration. PSTN calling can be added to the plan for an additional $24 per user per month for international and domestic calling, or $12 per user per month for domestic calling only.

**OFFICE 2016 VERSIONS**

**Office Home & Student 2016** sells for $149 and is licensed for home use. This subscription includes Word, Excel, PowerPoint and OneNote. The software is licensed for installation on a single PC.

**Office Home & Student 2016 for Mac** is a basic version of Office 2016 for Mac computers. This
software, which is licensed only for home use, includes the Mac versions of Word, Excel, PowerPoint and OneNote. Office Home & Student for Mac is sold as a traditional software license, not a subscription. The license sells for $149 and can be used on one Mac.

**Office Home & Business 2016** is available as a perpetual license that allows Word, Excel, PowerPoint, Outlook and OneNote to be installed on a single PC. This license costs $229.99 and may be used in home or business environments.

**Office Home & Business 2016 for Mac** is similar to Office Home & Student for Mac in that both are relatively basic versions of Microsoft Office 2016, and both are designed to run on Mac computers. However, there are three differences between the two applications. First, as the name suggests, Office Home & Business 2016 for Mac is licensed for home or business use, whereas Office Home & Student 2016 for Mac is licensed only for home use. A second difference is that Office Home & Student 2016 for Mac does not include Outlook, whereas Office Home & Business 2016 for Mac does. Finally, Office Home & Business 2016 for Mac has a higher price tag than its counterpart. A license for a single Mac computer sells for $229.

**Office Professional 2016** is available for a one-time licensing fee of $399.99 and includes Word, Excel, PowerPoint, Outlook, OneNote, Publisher and Access. The license is valid for a single PC and can be used in business environments.

**OFFICE ONLINE APPS**

One last option for Office usage is the Office Online Apps. The Office Online Apps are free, lightweight versions of Word, Excel, PowerPoint and OneNote that can be used for free. These apps exist online and are accessible through a Web browser. —Brien Posey
Microsoft’s Office 2016 applications for the desktop are almost identical to the apps you get through Office 365, but Office 365 ratchets up the opportunity for productivity. Users can run Office applications from nearly any device, and they save files wherever it makes sense.

Microsoft Office 2016 for the desktop is an up-front purchase. With Office 365, you pay a subscription fee either monthly or annually. Office 365 Business has several versions; each one adds more applications, storage capacity and features, along with an increase in cost. The basic version is Office 365 Business Essentials, which offers a 50 GB email inbox, 1 TB of online file storage and sharing, HD video conferencing and access to Office Online—the online-only versions of Office—for $6 per month or $60 per year per user. Packages become more inclusive and more expensive as you move up from the Business Essentials version.

One advantage of Office 365 vs. Office 2016 is that the cloud-based version offers predictable, easy-to-budget costs, and you can switch between Office 365 Business plans whenever you like. Once you sign up for any of the business plans, you have access to an administrative console where you manage the Office 365 account. Another benefit is that Microsoft maintains backups of files stored online, and connections to Office 365 use encryption for security. Controls are also in place to help organizations comply with the Health Insurance Portability and Accountability Act and the Family Educational Rights and Privacy Act.

Home users can sign up for Office 365 Personal. The cost is $6.99 per month or $69.99 per year. Users may install Office applications on one PC or Mac, one tablet and a Windows Phone, Apple or Android phone. They also get 1 TB of OneDrive cloud storage and 60 Skype minutes. As you might expect, signing up for
and getting Office 365 Personal is much easier and straightforward than Office 365 for business; users just sign up and install the software.

**SYSTEM REQUIREMENTS AND PERFORMANCE**

When users run applications directly from the Office 365 cloud, all they need is a modern Web browser and a fast, reliable internet connection. A slow internet connection dramatically affects responsiveness, especially for features such as HD video conferencing. Office 2016 on the desktop requires a minimum of a 1 gigahertz x86-bit or x64-bit processor, 2 GB of memory, 3 GB of available disk space and 1280 x 800 screen resolution.

If you install Office 365 applications locally, you can run them without an internet connection for the most part. You’ll still have access to the Spelling & Grammar feature and Thesaurus, for example, but you can’t use the Help system.

Be aware that there are some incompatibilities when sharing files between Office 2016 and older Office versions on Windows and Mac. Office 2016 is compatible with Office 2013, but it runs Office 2010 and older files in Compatibility Mode. Converting a file or saving it as an Office 2016 file tends to clear up any issues, but not always.

Another noteworthy issue with Office 365 is the occurrence of serious errors when opening files. When a user opens an Office file—which is typically a Word file—the system might hang and force him to shut down. The next time the user attempts to open the same file, the “The last time you opened ‘filename,’ it caused a serious error” message appears. Although this issue has occurred in several generations of Office applications, it occurs with greater frequency in Office 365. Microsoft says the problem stems from a file appearing on the disabled files list and offers instructions for removing the file from that list. But the frequent crashes and fixes it can cause are annoying and time-consuming. Office 2016 on the desktop is not subject to such problems.

Office 365 is the way to go for users who need maximum flexibility and typically have a good internet connection, although they may need some assistance from tech support to work out a few kinks. —Kim Lindros and Ed Tittel
Office 2016 Features New Security Enhancements

**Talk is Cheap** in IT circles, so it’s no surprise Microsoft’s claim that Office 2016 is the most secure version of Office ever met some questions.

Will new Microsoft Office 2016 features be truly integrated into the business application experience to make the lives of Windows administrators easier, a claim the company made in a blog post in the fall of 2015? Or are the features mere vendor fodder that creates complexity and negates any security benefits?

It seems Microsoft’s claims have substance because the company added security features to Office 2016 that should help IT administrators meet a good portion of its Office security needs. Microsoft Office 2016 features include data protection, authentication and data loss prevention. Other native Office 2016 security features include:

- Email and file encryption;
- Multifactor authentication for application and file access;
- Rights management for Visio documents to help protect intellectual property;
- Document versioning enhancements that can fall back to previous versions; and
- Automated, albeit somewhat confusing, update management for pushing Office updates.

Admins also have the ability to define sensitive information, detect the information in Office documents and notify users that the information is present. IT can create and manage “self-protecting” documents across multiple platforms—such as Windows, Apple iOS and Google Android—with the Enterprise Mobility Suite’s rights management. And
users can email links to documents rather than attaching them directly to emails.

**QUESTIONS TO CONSIDER**

How Microsoft Office 2016 features benefit an organization depends on that company’s specific requirements, so it’s important to ask questions that help determine if Office is secure enough.

**What information must IT protect?** Some shops must worry about protecting Word documents or Excel spreadsheets that contain intellectual property or personally identifiable information. Alternatively, companies may be concerned about how Office information is stored and shared via Outlook and Exchange.

**How do security and compliance requirements tie in?** Businesses must determine how Office files—and the systems they live on—might currently be at risk. Look at specific threats and vulnerabilities in the environment, and don’t overlook files that may be stored unprotected on server shares. Files could also end up in a cloud environment that’s not adequately secured or doesn’t meet existing regulatory or contractual requirements.

There’s a slew of other questions that businesses must answer on a case-by-case basis: Does the company need to keep files under wraps while at rest or in transit? Does it need to monitor who accesses the files and what they do with them? Is local storage necessary? Will files be created in—or sent to—Office 365 or other cloud services? What’s the best approach to keeping the office application environment in check?

The security controls that are baked into Office 2016 certainly improve on previous versions, but native capabilities are not always enough. Third-party products still might be better. As a result, companies should use whatever security measures they have in place and let Office 2016’s new features bolster their security. —Kevin Beaver
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