Microsoft 365 License Strategy Tips to Unlock Optimal Value

For thousands of organizations around the world, [Microsoft products](#) form the backbone of their productivity and collaboration efforts. However, Microsoft licensing can prove complex, and factors such as security needs and organization size make a difference. The following best practices will help businesses get the most ROI from their Microsoft 365 license strategy.

Tailor Licensing Plan to Business Needs

Approaching Microsoft licensing with a solid game plan based on business needs and goals will help organizations maximize the value of their investments. Consider both the business size and the level of services and support needed. Then carefully compare the features and benefits of the different plans to find the best fit.

For instance, a small team that needs just the basic Office apps might opt for Business Basic licenses. On the other hand, a larger business with advanced security and compliance requirements will need an Enterprise plan.

Additionally, consider the licensing model best suited to the organization. Microsoft offers two main types of licenses: user-based and device-based. User-based licenses allow each user to access Microsoft 365 services on up to five devices, such as laptops and smartphones. This licensing mode works best for businesses with mobile or remote workers.

Device-based licensing, on the other hand, allows each licensed device to access Microsoft 365 services, no matter who uses it. Businesses with fixed or shared devices will find device-based licensing more suitable.

Mix and Match Microsoft 365 Subscriptions

Not all users or devices in the organization will necessarily need the same access to applications and features. Consequently, Microsoft allows businesses to purchase different types of licenses for different users, according to their roles and responsibilities.

Mixing and matching licenses can help businesses optimize their IT spending by ensuring that the organization does not pay for unused features. It can also enhance security and compliance by controlling access to advanced features such as eDiscovery or business analytics.

The organization should assess the needs of each user group. For instance, consider the type and frequency of tasks they perform, the applications and features they need and the level of security they require.

Keep in mind that, while mixing licenses has many benefits, it also presents some challenges. The main challenge involves managing the complexity of licensing options, as Microsoft offers a wide range of plans and add-ons. Another challenge involves ensuring users have a seamless experience across applications and devices and that they can collaborate effectively.

Annual License Agreement vs. Flexible Monthly Pricing

Beginning last year, Microsoft introduced some changes to Microsoft licensing. Organizations can enter into a 12-month licensing agreement at a set cost. Alternatively, they can enjoy the flexibility of pay-as-you-go plans. These allow the business to add or delete licenses as needed, but they come with a 20 percent surcharge.

Annual license agreements will save money for most organizations. However, for businesses that have a high turnover rate or seasonal employees, monthly plans may prove more cost effective. In this way the business can remove licenses when no longer needed or even cancel the service altogether without penalties.

Purchase Microsoft 365 Licenses through a Microsoft Partner for More Benefits

Businesses can purchase and manage Microsoft subscriptions either directly through Microsoft or through a certified Microsoft Gold Partner such as eMazzanti. Working directly with Microsoft gives the business tight control but requires that they have substantial in-house Microsoft expertise. And Microsoft technical support can prove costly and sometimes time-consuming.

Purchasing and managing subscriptions through a Microsoft partner can deliver substantial benefits. For example, eMazzanti Cloud Marketplace offers flexible payment and reporting options not available directly through Microsoft. And with eMazzanti, customers get a dedicated account manager to help them sort through the maze of options and features.

Download Microsoft 365 Licensing Roadmap