Nextcloud: The Microsoft 365 Alternative

A Nashua position paper: why we recommend Nextcloud for a sovereign, open workplace, and how we implement, migrate, support and lead the change to it.

Abstract

Microsoft 365 is the default digital workplace, and for a growing number of organisations it is the wrong default. The subscriptions compound, the data lives on infrastructure subject to foreign law, and the whole working environment, files, mail, meetings and documents, is rented from a single vendor that owns the roadmap and the exit. This is a position paper, not a neutral survey: at Nashua we recommend *Nextcloud* as the Microsoft 365 alternative for organisations that want a collaboration platform they control, hosted where their own law reaches, built on open source they can audit and extend. We set out why we hold that position, map Nextcloud honestly against Microsoft 365 feature by feature, and are candid about where Microsoft is still ahead and what running your own platform demands. And we make the practical case the position needs, that leaving is a managed project rather than a leap: Nashua implements the platform, migrates the data out of Microsoft 365, operates it with technical support and security, and, the part that actually decides success, leads the change so that people adopt the new workplace rather than resent it.

Keywords: Nextcloud; Microsoft 365 alternative; digital sovereignty; data sovereignty; open source; GDPR; Schrems II; CLOUD Act; NIS2; collaboration; file sync and share; groupware; Collabora Online; ONLYOFFICE; migration; change management; managed hosting; on-premises deployment; Coolify; Dell PowerEdge; vendor lock-in; Netherlands; European Union

1. Introduction

Almost every organisation we meet runs its working life inside Microsoft 365. The files are in OneDrive and SharePoint, the mail and calendars in Exchange Online, the meetings in Teams, the documents in Word, Excel and PowerPoint, and increasingly the assistant in Copilot. It is a capable, integrated suite, and for many organisations it is a reasonable choice. We are not here to pretend otherwise. We are here to argue that for a large and growing class of organisations it is no longer the right choice, and that there is now a serious alternative that too few leaders have properly considered.

This is a position paper, and the position is plain: **for organisations that care about controlling their own data, their own costs and their own roadmap, Nextcloud is the Microsoft 365 alternative we recommend, and migrating to it is a solved problem when it is run as a project.** We hold this position not as open-source ideologues but as a practical IT partner that has watched the cost, the dependency and the legal exposure of the big cloud suites grow year on year, while the open alternative has quietly become good enough, and in the ways that matter most to a European organisation, better.

Two things have changed. The first is that the case against renting your entire workplace from a single foreign vendor has sharpened: subscription costs compound, lock-in deepens with every integration, and the data sits under legal regimes that a European organisation does not control. The second is that Nextcloud has matured from a file-sync tool into a complete collaboration platform, files, communication, groupware and online office, that an organisation can host where its own law reaches and extend as it likes. Put those together and the question is no longer *whether* a credible alternative exists, but *how* to move to it without disrupting the people who do the work. That second question is the one this paper, and Nashua's offer, is really about.

We proceed in the open. Section 2 sets out why organisations are looking past Microsoft 365. Section 3 says what Nextcloud is and why we back it. Section 4 maps the two suites against each other, honestly. Sections 5 and 6 make the sovereignty and the cost cases. Section 7 is candid about where Microsoft is still ahead and what you take on by leaving. Sections 8 to 9 are the practical core: how Nashua implements, migrates, supports and, above all, manages the human change. Section 10 answers the objections we hear most, and Section 11 is a call to act.

2. Why organisations are looking past Microsoft 365

The discontent is rarely about features. It is about control, and it has four strands.

Cost that only goes up. A per-seat subscription is predictable until it is not. List prices rise, the useful capabilities migrate into the higher tiers, and the newest value, the AI assistant above all, arrives as yet another per-user add-on. An organisation that has standardised on the suite has no leverage in that conversation, because the cost of leaving is exactly what the pricing counts on. The bill is an annuity to the vendor, and it is designed to grow.

Lock-in that deepens with use. The suite is integrated, which is its great convenience and its great trap. Every workflow built on SharePoint, every automation in Power Automate, every identity wired through Entra, every document whose formatting assumes Microsoft's renderer, raises the cost of ever leaving. Lock-in is not a clause in a contract;

it is the accumulated weight of a thousand small dependencies, and it is the product working as intended.

Data under someone else's law. This is the strand that has changed most, and it matters most to a European organisation. When your files, mail and documents live in a US-headquartered provider's cloud, they are reachable, in principle, by US legal process regardless of where the data centre sits, under the CLOUD Act (2018). The Court of Justice of the European Union made the tension explicit when it struck down the EU–US Privacy Shield in the *Schrems II* judgment (Case C-311/18, 2020), and the European Data Protection Board's supplementary-measures guidance (EDPB, 2021) has kept the question live ever since. For organisations bound by the GDPR (Regulation (EU) 2016/679), and increasingly by sector and security rules such as the NIS2 Directive (Directive (EU) 2022/2555), "where does the data actually live, and whose courts can reach it" is no longer a theoretical question.

A roadmap you do not steer. Features arrive, change and are retired on the vendor's schedule, not yours. Interfaces are redesigned, defaults are changed, AI is switched on, and the organisation adapts, because it has no other option. You are a tenant in a building whose landlord keeps renovating.

None of this makes Microsoft 365 a bad product; for many organisations it is the right one. It does make it a *rented* product, and for an organisation that would rather not rent its whole workplace indefinitely, on terms it does not set and over data it does not fully control, that is reason enough to look hard at the alternative.

3. Our position: Nextcloud

Nextcloud is an open-source collaboration platform, licensed under the AGPL, that an organisation can run on its own servers or on hosting it chooses, in its own country, under its own law. It began as file sync and share, the open answer to OneDrive and Dropbox, and has grown into what its makers call a *Hub*: files, real-time communication, groupware and an integrated online office, in one coherent platform that a user signs into once.

What it offers, in the terms that matter to a workplace:

- **Files.** Sync-and-share across desktop, web and mobile, with sharing, versioning, team folders and external collaboration, the direct replacement for OneDrive and SharePoint document libraries.
- **Communication.** Nextcloud Talk provides chat, voice and video calls and screen sharing, self-hosted, the place Teams occupies in Microsoft's world.
- **Groupware.** Calendar and contacts natively, on the open CalDAV and CardDAV standards, and mail through Nextcloud's mail app paired with a standards-based mail server, together covering the Exchange and Outlook functions.
- **Online office.** Real editing of Word, Excel and PowerPoint documents in the browser, through an integrated office engine, Collabora Online or ONLYOFFICE, so that `.docx`, `.xlsx` and `.pptx` files are created and edited in place rather than exported.
- **Extensibility.** An app ecosystem and an open API, so the platform can be extended, integrated and automated by the organisation itself rather than only by the vendor.

We back Nextcloud specifically, out of the wider open-source field, for three reasons. It is *complete*: it covers the whole working surface, not one corner of it, so it can be the platform rather than a point tool. It is *sovereign by construction*: because you host it, the data is where you put it and the keys are yours. And it is *proven at scale*, including in demanding public-sector environments across Europe that have chosen it precisely to regain control of their digital workplace. It is not a toy, and it is not a compromise made only to save money; it is a different, and for many organisations a better, way to own the tools people work in.

Table 1. Microsoft 365 mapped to Nextcloud, component by component. The match is strong across the everyday working surface; the caveats are treated honestly in Section 7.

Microsoft 365	Nextcloud	Note
OneDrive, SharePoint files	Files, team folders	Direct replacement
Teams	Talk	Chat, calls, video, self-hosted
Exchange, Outlook	Groupware: Mail, Calendar, Contacts	Calendar, contacts native; mail via mail server
Word, Excel, PowerPoint	Collabora Online or ONLYOFFICE	Edits .docx, .xlsx, .pptx in place
Forms	Forms	Surveys and forms
Planner, To Do	Deck, Tasks	Boards and task lists
Copilot	Nextcloud Assistant, local models	AI without sending data to a third party
Entra ID sign-on	SSO via SAML, OIDC, LDAP	Integrates with existing identity

4. Does it really replace Microsoft 365?

The fair question any decision-maker asks is whether the alternative actually does the job. Our honest answer is: for the work that most people do most of the time, yes, and we will be equally honest in Section 7 about where it does not. Table 1 maps the suites component by component.

The point of the table is not that every box is a perfect like-for-like, it is that the *working surface* an ordinary employee touches in a day, open a file, co-edit a document, send mail, check the calendar, join a call, chat with a colleague, is covered. Most people are not power users of any single application; they are users of a workplace, and that workplace Nextcloud provides.

5. The sovereignty case

For a European organisation this is, in our view, the decisive argument, and it is the one Microsoft cannot answer by adding a feature.

When you self-host Nextcloud, or have it hosted for you in the Netherlands or elsewhere in the European Union, the data physically and legally lives where you chose to put it.

There is no foreign parent company that can be compelled to hand it over, no transfer mechanism to document and defend, no dependence on the current state of a transatlantic adequacy arrangement that has twice been struck down. The GDPR question "where is the personal data and who can access it" has a simple, demonstrable answer. For organisations facing NIS2 and sector-specific obligations, that demonstrability is not a nicety; it is the compliance position itself.

This is why so much of the momentum behind Nextcloud and the wider sovereign-workplace movement has come from European public administrations, which are both acutely bound by these rules and unwilling to make their core operations permanently dependent on a single non-European vendor. The examples are concrete and multiplying: Germany's public administration has built a sovereign workplace, *openDesk*, that uses Nextcloud for its files (ZenDiS, 2024); the state of Schleswig-Holstein is migrating its administration off Microsoft to open source, Nextcloud included, having already moved tens of thousands of mailboxes (Land Schleswig-Holstein, 2025); France's Ministry of Education runs a Nextcloud-based file platform for several hundred thousand users (French Ministry of Education, 2025); and the European Data Protection Supervisor hosts Nextcloud for its own institution. These are not gestures by the indifferent; they are deliberate choices by organisations that are heavily regulated and determined to keep control of their own information, and Nextcloud's file platform has been independently security-certified for government use, holding France's ANSSI CSPN certification (Nextcloud, 2024). The same logic applies to any organisation that handles sensitive data, answers to a European regulator, or simply judges that control of its own information is a strategic asset rather than an IT detail. Sovereignty is not anti-American and it is not nostalgia; it is the plain proposition that an organisation should be able to say where its data is and who can reach it, and mean it.

6. What it costs, and what it saves

The economics follow from the ownership. A Microsoft 365 subscription is an operating cost that recurs per user, per month, forever, and trends upward. A Nextcloud platform is mostly a different shape of cost: hosting (your own or a provider's), and the support and operations to run it well, with no per-seat licence to the platform itself, because the platform is open source.

We are careful not to oversell this. Running a platform is not free; it trades a licence fee for an operational responsibility, and that responsibility has a real cost, which for most organisations is best met by a partner rather than hired in. But the shape of the cost is fundamentally healthier: it is *predictable*, because it is not a per-seat annuity that grows with every price rise and every new add-on; it is *under your control*, because you choose the hosting and the scale; and it *does not punish success*, because adding users does not multiply a licence bill. For an organisation of any size, the total cost of ownership over a few years is frequently lower, and, more importantly, it is yours to manage rather than the vendor's to escalate.

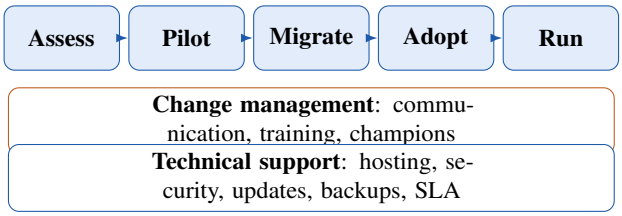

Figure 1. A Nashua engagement. Five phases carry the organisation from the current Microsoft 365 estate to a running Nextcloud platform; change management and technical support run underneath the whole of it, not as afterthoughts but as the two bands that make the phases succeed.

7. The honest trade-offs

A position paper that pretended the alternative were perfect would deserve no trust, so we are plain about the costs of our own recommendation.

The deep end of Office. For the power user who lives in advanced Excel, macros, pivot tables, the most intricate formulas and add-ins, or in the most elaborate PowerPoint, Microsoft's desktop applications remain ahead of any browser-based editor, Collabora and ONLYOFFICE included. Most organisations have relatively few such users, and they can be accommodated, but it is a real gap and we name it.

The ecosystem and the integrations. Microsoft 365 sits in a vast ecosystem of third-party integrations and in-house habits. Some of those connections have a direct Nextcloud equivalent; some need rebuilding; a few will be retired as not worth keeping. That assessment is part of the work, not a surprise to be discovered later.

The operational responsibility. Self-hosting means someone is responsible for uptime, updates, backups and security. That is precisely the responsibility a managed service exists to carry, and it is the core of what Nashua provides, but it is real and it must be resourced, not wished away.

Familiarity. People know Microsoft. A new environment, however capable, is unfamiliar on day one, and unfamiliarity felt by hundreds of people is the single largest risk in any such move. It is not a software problem; it is a change-management problem, and Section 9 is about how we solve it.

None of these is a reason not to move. Each is a reason to move *deliberately*, with a partner who has seen them before.

8. How Nashua implements and migrates it

Our position would be empty advocacy if leaving Microsoft 365 were a leap in the dark. It is not. Done properly it is a project with well-understood phases, and Nashua runs the whole of it, so that the organisation gets the destination without having to become an expert in the journey. Figure 1 shows the shape of an engagement.

Assess. We begin by understanding what you actually have and use: the data in OneDrive and SharePoint, the mail and calendars, the workflows and integrations, the identity setup, and the handful of genuine power-user cases that need special handling. The output is a clear picture of what moves cleanly, what needs rebuilding, and what can be retired, with no surprises left for later.

Pilot. We stand up a real Nextcloud platform, hosted where you want it, and run a pilot with a representative group. The pilot proves the platform in your environment, surfaces the real adoption questions early, and gives the organisation something concrete to see rather than a promise to trust.

Migrate. We move the data, files from OneDrive and SharePoint, mail, calendars and contacts from Exchange, in waves, with structure and permissions preserved, verified as it goes, and with the old and new worlds kept compatible during the transition so that nobody is stranded mid-move. Migration is the part organisations fear most and the part that is, in fact, the most routine when it is done by people who have done it before.

Adopt and Run. The platform goes live for real, and then it is operated: hosted, patched, backed up, secured and supported under a service agreement, so that the organisation has a workplace that simply works and a single accountable partner when it does not. Underneath every phase run the two bands of Figure 1, technical support and change management, which are the subjects of the next section, because they are what turn a migration into a success.

Where it runs. The same platform can sit wherever your sovereignty and operational needs put it, and we deploy and operate it across the whole range. We can host it for you in the Netherlands or elsewhere in the European Union; we can run it inside your own cloud tenancy; or, when you want the data physically within your own walls, we can roll it out entirely on-premises, on your own hardware in your own server room. For that on-premises case our preferred pattern is Nextcloud running on a *Coolify* server, an open-source, self-hosted application platform that gives us clean, repeatable deployments, updates and backups without tying you to any vendor's cloud, provisioned on *Dell PowerEdge* server hardware sized to your user count and growth. You own the machines, the data never leaves the building unless you decide it should, and Nashua still carries the operation, the patching, monitoring, backups, security and support, under the same service agreement. It is sovereignty by physical location, run by people who do it for a living.

9. Change management: the part that decides success

We put this in its own section because it is where these projects are won or lost, and where, in our experience, they are most often under-resourced. The software can be flawless, the migration perfect, the hosting impeccable, and the project can still fail, because the people did not come with it. A workplace is not a set of applications; it is the daily habits of everyone who uses it, and changing habits is harder than changing software.

So Nashua treats adoption as a discipline, not an afterthought. We communicate early and plainly, so that people hear the why and the when from a clear source rather than the rumour mill. We train for the tasks people actually do, in their own context, rather than handing out a manual. We identify and support *champions* inside the organisation, the respected colleagues whose everyday use and encouragement move a team faster than any memo. We phase the rollout so that confidence is built group by group rather than gambled on a single switch. We listen, through the pilot and through launch, and we fix the friction that early users find before it hardens into resentment. And we are honest with people that a new tool is unfamiliar for a short while and then simply becomes the way they work.

The measure of success is not that the migration completed; it is that, some weeks later, people reach for the new workplace without thinking, and would not want to go back. Getting an organisation to that point is not a by-product of the technical work. It is the work, and it is as much a part of what Nashua delivers as the platform itself.

10. Objections and replies

"Our people only know Microsoft." Today, yes, and that is a change-management fact, not a software verdict. The everyday actions, open a file, write a document, send mail, join a call, are the same actions in a different place, and with proper communication, training and champions, people cross that gap quickly. The familiarity of Microsoft is real; it is also exactly what a good adoption programme is designed to transfer.

"Self-hosting is risky." Running infrastructure badly is risky; running it well, with a competent partner carrying uptime, updates, backups and security under an agreement, is not riskier than depending on a single foreign vendor whose outages, price changes and roadmap you also do not control. The question is not risk versus no risk; it is which risks you would rather hold and be able to manage.

"Nextcloud isn't as polished as Microsoft." In a few deep corners, that is fair, and Section 7 named them. Across the working surface that most people use all day, the gap is small and shrinking, and for most organisations it is comfortably outweighed by control, cost and sovereignty. Polish in a feature you never use is worth less than ownership of the tools you use constantly.

"This is an open-source crusade." It is not. We are a practical IT partner recommending the option we believe serves a particular kind of organisation best, and being candid about which organisations that is and where the trade-offs lie. Where Microsoft 365 is genuinely the better fit, we will say so. For the organisation that wants to own its workplace, we recommend Nextcloud, and we can deliver it.

11. Conclusion

Renting the whole digital workplace from a single foreign vendor, on terms you do not set and over data whose location and legal reach you do not fully control, is not wrong for everyone, but it is no longer the obvious default it once was.

For a growing class of organisations, and in our view for many European organisations that handle sensitive data or value their independence, there is now a serious, complete and proven alternative, and it is Nextcloud. It covers the work people actually do, it keeps the data where your own law reaches, it replaces a compounding per-seat rent with a cost you control, and it hands the roadmap back to you.

The reason more organisations have not moved is not that the alternative is inadequate; it is that leaving feels hard. It is not, when it is run as a project by people who have run it before. That is Nashua's offer, and the whole of it: we assess what you have, pilot the platform in your environment, migrate your data out of Microsoft 365, host and support and secure the result, and, above all, lead the human change so that your people adopt the new workplace rather than merely tolerate it. For the organisations it suits, Nextcloud puts their collaboration, their data and their costs back under their own control. We will help you weigh whether it suits you, build it if it does, and stay to run it. Talk to us.

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