**How and when to use OneDrive vs SharePoint:**

How are they different?

How are they alike?

Retention policies/old data management

Related issues:

[How to Manage SharePoint Storage Limits (Microsoft 365)](https://www.mrsharepoint.guru/sharepoint-storage-limit-office-365/)

1. The storage space in SharePoint Online is expensive, so the better choice is to go with Azure instead.

2. If you are worried about having your files in various places, do not worry since there is an Azure Connector available.

Direct Topic Research:

* <https://www.mrsharepoint.guru/sharepoint-vs-onedrive-pros-and-cons/#What_is_SharePoint> Last Updated on June 9, 2024
* <https://www.mrsharepoint.guru/sharepoint-storage-limit-office-365/> Last Updated on August 26, 2023
* <https://www.mrsharepoint.guru/how-to-create-a-sharepoint-retention-policy/> Last Updated on June 9, 2024
* <https://www.mrsharepoint.guru/how-to-streamline-business-processes-with-power-automate/> Last Updated on April 3, 2023

**What is SharePoint?**

SharePoint is a powerful platform developed by Microsoft for  [document management](https://www.mrsharepoint.guru/document-management-best-practices-sharepoint-online/) and team collaboration.

It is widely used by enterprises to create intranets, [manage contenthttps://www.mrsharepoint.guru/sharepoint-online-cms/](https://www.mrsharepoint.guru/sharepoint-online-cms/), and facilitate team workflows.

**Key Features:**

* **Team sites:** Create dedicated spaces for teams to share documents, collaborate on projects, and manage tasks.
* **Document libraries:** Store and organize documents in a central location, making it easy for teams to find and access files.
* **Workflows:** [Automate business processes](https://www.mrsharepoint.guru/how-to-streamline-business-processes-with-power-automate/) and tasks to improve efficiency and consistency.
* **Integration with Microsoft Office:** Seamlessly work with other Microsoft applications like Word, Excel, and Outlook.
* **Version control:** Track changes to documents over time, allowing users to revert to previous versions if needed.
* **Advanced security:** Protect sensitive information with encryption, access controls, and compliance features.
* **Customization:** Customize SharePoint sites to fit specific business needs with custom workflows, templates, and branding options.
* The platform can be deployed on-premises or used as a **cloud-based service** through SharePoint Online.
* Its scalability ensures it can **grow with your organization**, accommodating increasing amounts of data and users over time.

**What is OneDrive?**

OneDrive is an **online storage service** where you can save your files in the cloud and easily get them from any device.

It is designed for both personal and business use as a **secure and convenient** way to manage documents and collaborate.

**Key Features:**

* **File syncing:** Automatically synchronize files across devices, ensuring you always have the latest version available.
* **Cross-platform access:** Access your files from Windows, Mac, iOS, and Android devices through the OneDrive app or web interface.
* **Collaboration tools:** Share files and folders with others, enabling real-time collaboration and co-authoring on documents.
* **Version history:** Keep track of changes to files and revert to previous versions if needed.
* **Security measures:** Protect your data with encryption, two-factor authentication, and compliance with industry standards.
* **Integration with Microsoft 365:** Seamlessly integrate with Office apps like Word, Excel, and PowerPoint for easy document creation and editing.
* OneDrive comes in two versions:
* OneDrive Personal
* OneDrive for Business

Pros and Cons

**Pros and Cons of OneDrive**

Now let us check out the side of OneDrive:

1. **Simplicity and ease of use**

OneDrive is known for its **straightforward setup** and user-friendly interface.

Unlike SharePoint, OneDrive allows users to start storing and sharing files quickly.

This makes it an ideal choice for **individuals and small businesses** looking for an easy-to-use cloud storage solution.

1. **Cost-effective solution**

OneDrive often **comes at a lower cost** compared to SharePoint, particularly for basic storage needs.

OneDrive for Business offers competitive pricing with various plans tailored to different user requirements.

For organizations with tight budgets:

OneDrive provides a cost-effective way to store and share files without the **higher expenses** associated with SharePoint.

1. **Seamless integration with Microsoft Office**

OneDrive integrates seamlessly with Microsoft Office applications.

This allows users to easily create, edit, and share documents directly from tools like:

* Word
* Excel
* PowerPoint

While SharePoint also integrates with Microsoft Office, OneDrive’s simpler interface makes this process more **intuitive**.

1. **Limited advanced features**

On the downside, OneDrive lacks advanced features such as:

* Customizable workflows
* Detailed document management capabilities

Those that require extensive document versioning, metadata tagging, and automated processes may find OneDrive **insufficient**.

SharePoint’s advanced features are **more suited** for complex organizational needs.

1. **Less robust collaboration tools**

OneDrive is primarily designed for **individual cloud-based file storage and basic collaboration**.

On the other hand, SharePoint offers a **broader range** of collaboration tool.

For example, SharePoint provides team sites and project management features that are **not available** in OneDrive.

Organizations that need **comprehensive collaboration capabilities** might find SharePoint a better fit.

**Limited customization options**

OneDrive offers **fewer customization options** compared to SharePoint.

While it is excellent for straightforward [file storage and sharing](https://www.mrsharepoint.guru/sharepoint-vs-network-file-share/), it does not allow for extensive customization. SharePoint’s ability to customize and integrate with SharePoint provides tools that help teams work together effectively, manage tasks, and share resources.

other business applications make it **more versatile** for businesses.

**When to use SharePoint?**

If you are not sure when to get SharePoint:

**1. Complex document management**

As explained, SharePoint is ideal for those who need **advanced**document management capabilities.

It offers features like the following:

* **Version control:** Keep track of changes and revert to previous versions when necessary.
* **Metadata tagging:** Organize documents with custom tags for easy retrieval and sorting.
* **Automated workflows:** Streamline approval processes and other repetitive tasks.

The [document management system](https://www.mrsharepoint.guru/modern-sharepoint-document-management-system-guide-tutorial/) helps maintain organization and efficiency with handling large volumes of documents; it is especially useful for industries with strict regulatory requirements, where **document tracking** and control are essential.

👉 **Related**: [How to Use Document ID in SharePoint to Track Documents](https://www.mrsharepoint.guru/how-to-use-document-id-in-sharepoint-to-track-documents/)

**2. Team collaboration on projects**

Here are some of these tools:

* **Team sites:** Create dedicated spaces for project teams to collaborate.
* **Task management:** Assign, track, and update tasks to ensure project progress.
* **Resource sharing:** [Share files](https://www.mrsharepoint.guru/sharepoint-file-sharing-with-external-users/), calendars, and other resources within the team site.

SharePoint enhances **team productivity** by:

* Centralizing project-related information
* Providing a structured environment

This makes it an excellent choice for project managers and teams working on **multi-faceted projects**.

**3. Customizable business solutions**

SharePoint is suitable for businesses that need **customized solutions** to meet specific operational needs.

It allows extensive customization and integration with other business applications using:

* **Custom workflows:** Design workflows that fit your unique business processes.
* **Integration with other apps:** Connect SharePoint with various third-party and Microsoft applications.
* **Customizable templates:** Use or create templates to match your branding and operational requirements.

SharePoint can be customized to fit a wide range of industries and business models.

**When to use OneDrive?**

For OneDrive:

**1. Simple file storage and sharing**

OneDrive is perfect for users who need a straightforward solution for storing and sharing files.

Its simplicity makes it accessible to individuals and small businesses because of its:

* **Easy setup:** Get started quickly without complex configurations.
* **File sharing:** Share documents and folders with a few clicks.
* **Access anywhere:** Retrieve your files from any device with internet access.

OneDrive is ideal for those who need reliable cloud storage **without the complexity** of more advanced systems.

It is a viable choice for personal use and small teams that **do not require** extensive collaboration tools.

**2. Seamless integration with Microsoft Office**

As I explained earlier, OneDrive works seamlessly with Microsoft Office applications.

This makes it an excellent choice for users who frequently work with Office documents because of:

* **Direct editing:** Edit Word, Excel, and PowerPoint files directly from OneDrive.
* **Real-time collaboration:** Work with others on Office documents simultaneously.
* **Automatic saving:** Save changes in real time to prevent data loss.

OneDrive’s integration with Microsoft Office **enhances productivity** for users who rely on these tools.

It allows for **smooth transitions** between creating, editing, and sharing documents, making it a convenient option.

**3. Cost-effective cloud storage**

OneDrive offers a cost-effective solution for those needing cloud storage.

That is without the additional features and costs associated with more complex platforms.

* **Affordable plans:** Choose from various pricing plans to fit your budget.
* **Free storage:** Take advantage of free storage space with a Microsoft account.
* **Business plans:** opt for business plans that provide more storage and features at competitive prices.

OneDrive’s affordability makes it accessible to a wide range of users, from individuals to small businesses.

The free storage option is particularly beneficial for those who need basic cloud storage without incurring additional costs.

**Cost Comparison**

* Here’s a quick comparison of the key business plans available:

|  |  |  |
| --- | --- | --- |
| **Plan** | **Price per User**/Month (Annual Subscription) | **Features** |
| OneDrive  Business (Plan 1) | $5.00 | 1 TB of OneDrive storage, file sharing, and collaboration tools |
| SharePoint (Plan 1) | $5.00 | 1 TB per user, team sites, basic collaboration features |
| Microsoft 365 Business Basic | $6.00 | Web and [mobile versions of Office apps](https://www.mrsharepoint.guru/microsoft-office-mobile-apps-to-download-on-your-device/), 1 TB of OneDrive storage, Microsoft Teams |
| Microsoft 365 Business Standard | $12.50 | All features of Business Basic, plus desktop versions of Office apps, and additional business tools |
| Microsoft 365 Business Premium | $22.00 | All features of Business Standard, plus advanced security and device management |
| Microsoft 365 Apps for Business | $8.25 | Desktop versions of Office apps, 1 TB of OneDrive storage, and basic support services |

* When selecting between OneDrive and SharePoint for business, it is important to **consider**your organization’s specific needs.
* OneDrive for Business offers straightforward cloud storage solutions suitable for small to medium-sized businesses.
* SharePoint, however, provides more advanced collaboration features and greater customization.
* SharePoint is better for **larger organizations** or those needing detailed document management and team collaboration.
* The Microsoft 365 Business plans **integrate both** OneDrive and SharePoint features, along with other Office apps.
* **The choice between Business Basic, Standard, and Premium plans should be based on the:**
* Required level of security
* Device management
* Access to desktop apps​