



Microsoft 365
Copilot

Becoming a Frontier Firm

With Microsoft 365 Copilot
and Agents



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01

Frontier calling

The opportunity has never been greater. Markets reward speed, customers expect exceptional experiences, and organizations finally have the technology to deliver on both. Not by pushing people harder, but by reimagining how work gets done.

But there's a gap. Microsoft's 2025 [Work Trend Index](#) reveals it clearly: **53%** of leaders say productivity must increase, but **80%** of employees report they lack the time or energy to deliver.¹ The space between what's needed and what's possible is where transformation lives.

Frontier Firms are stepping into that space. These organizations have built AI into the fabric of work, embracing AI agents as digital colleagues that handle the repetitive while humans focus on strategy, creativity, and innovation. When every employee has [intelligence on tap](#) and teams scale through human-agent collaboration, work becomes what it was always meant to be: meaningful.

However, rushing forward can create new vulnerabilities. That's why Frontier Firms move with both urgency and care, scaling AI while embedding security, compliance, and responsible use from the start.

The transformation
is real



Compared to just
39% globally¹

This guide takes you through
three phases of **AI transformation**.

You'll see what each phase looks like, understand
the decisions that matter most, and learn how to
move forward without compromising security.



Three phases of AI transformation

Becoming a Frontier Firm isn't a single leap. It's a deliberate journey toward AI maturity, unlocking new possibilities at every step.

Security first

The organizations moving fastest with AI aren't the ones taking shortcuts on security. They're the ones that build trust into the foundation. When employees know that AI respects data permissions, when leaders see compliance built into every interaction, and when governance is embedded rather than bolted on, transformation accelerates. With the right AI partner, security doesn't slow adoption—it makes bold adoption possible.

Every journey is different and rarely linear. Most organizations have different departments in different phases at the same time. This uneven progress is natural. The chapters ahead explore each phase with practical guidance for your organization's journey.

Phase one: Human with assistant

Reimagine personal productivity

Every employee gains an AI assistant that handles the tedious, freeing them for work that matters.

Phase two: Human-agent teams

Transform workflows

AI agents become digital colleagues within your processes, taking on specific tasks at human direction. Your people learn to delegate to and supervise these agents, developing skills as "agent bosses."

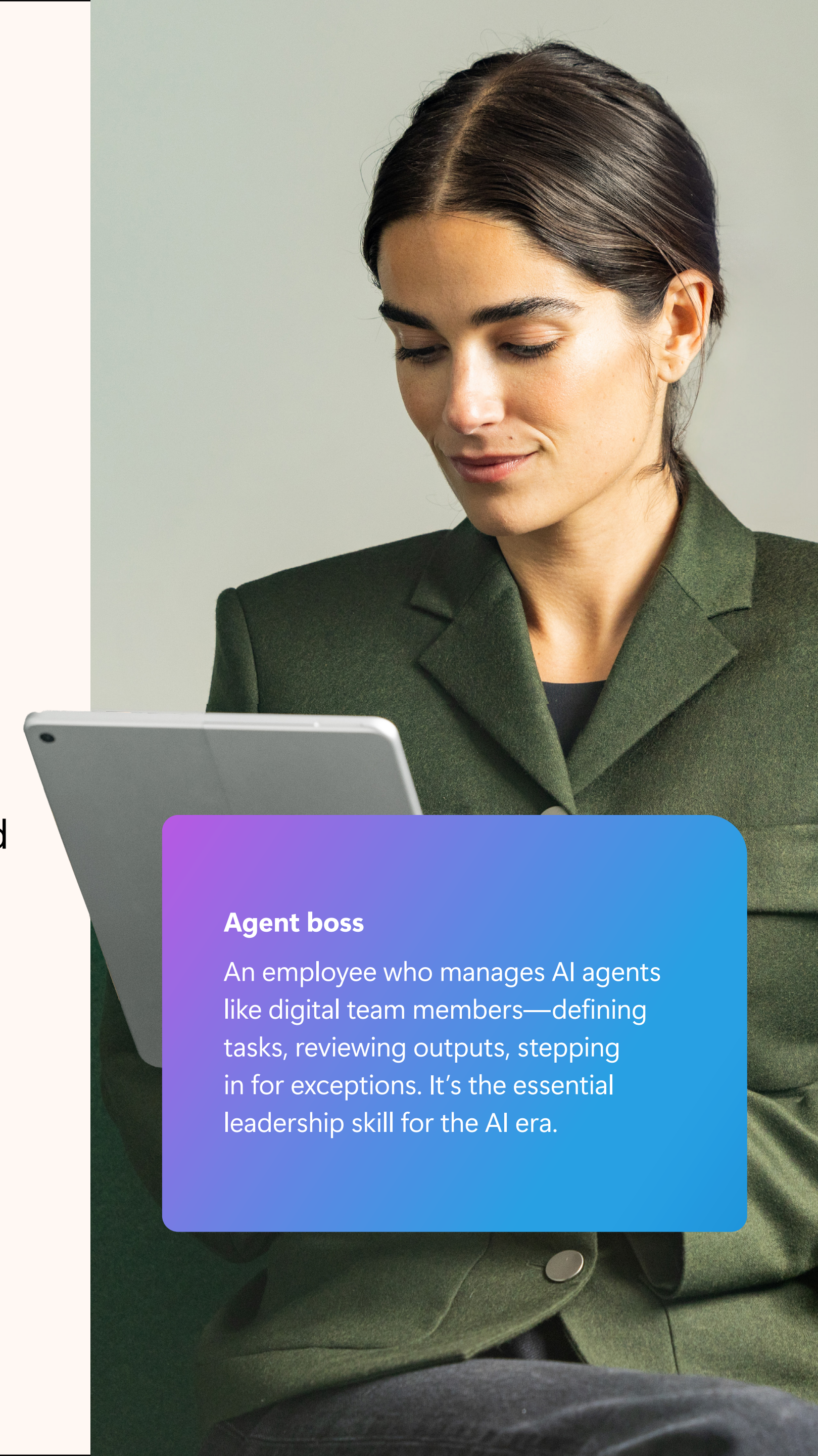
Phase three: Human-led, agent-operated

Reinvent your business processes

Agents run end-to-end processes while humans provide strategic oversight. Your people shift from executing tasks to shaping strategy, nurturing relationships, and steering the work that defines your organization's future.

Agent boss

An employee who manages AI agents like digital team members—defining tasks, reviewing outputs, stepping in for exceptions. It's the essential leadership skill for the AI era.



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PHASE ONE

Human with assistant

Every AI transformation begins with the individual. In this phase, each employee gains a personal AI assistant to remove drudgery and give back time. The productivity impact is immediate, but this phase serves a deeper purpose: building confidence, demonstrating early returns, and creating the habits that enable bigger transformations later. Done well, this phase lifts morale, reduces fatigue, and signals that AI isn't a future concept but a present-day colleague.



What this looks like in practice

Your people need safe space to experiment. Because **75%** of employees already use AI at work (often through unsanctioned tools),² you need to provide approved access with clear guardrails. Launch AI literacy programs, highlight where AI adds value, and demonstrate what responsible use looks like.

Where to start

Target the repetitive, time-consuming tasks that cut across roles, such as meeting prep, inbox management, document summarization, and first-draft creation. These quick wins demonstrate immediate value without requiring you to redesign entire business processes.

How to scale

Treat this phase as a learning ground. Run team or departmental pilots, gather feedback, and refine your approach. Avoid narrow pilots that never scale. Instead, roll out broadly with structured feedback loops so employees can shape how AI fits into their daily flow. Track adoption rates, time saved, and employee satisfaction to measure success.



Vodafone saves time at scale

Vodafone's initial trial with Microsoft 365 Copilot resulted in around three hours per week saved per person on average. The company plans to roll out Copilot to up to 68,000 employees.

[Read the full story](#)

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PHASE TWO

Human-agent teams

Phase two shifts from individual productivity to process improvement. Here, agents join workflows as digital colleagues, completing tasks at human direction. Employees move from simply “using AI” to managing it.

This is where teams begin to feel genuine scale. Marketing campaigns launch faster. Customer service scales to handle more requests without compromising quality. Human judgment and creativity combine with agent efficiency to deliver better results than either could achieve alone.



What this looks like in practice

Training goes beyond basic AI literacy. Employees learn to delegate effectively to agents, defining clear instructions and setting performance standards. Agents handle routine work autonomously and alert humans when they encounter exceptions that need judgment or expertise. Encourage teams to see agents not just as tools, but as junior colleagues that require practical guidance.

Where to start

Focus on repeatable, process-driven workflows like campaign development, RFP responses, financial reconciliations, or HR service requests. Agents reliably complete most steps while automatically escalating edge cases to humans for strategy and final decisions. Look for processes with high volume, frequent bottlenecks, or measurable pain points.

How to scale

Run department-level pilots where success can be measured through clear metrics. In customer support, track response times, resolution rates, and satisfaction scores. In finance, monitor reconciliation speed and error reduction. Treat each pilot as an opportunity to codify best practices and expand into adjacent workflows.



T-Mobile puts AI in every conversation

T-Mobile deployed an agent built with Copilot Studio that autonomously searches promotional details and technical specifications across multiple systems. The app supporting this agent became T-Mobile's second most popular app company-wide, with 83,000+ users and 500,000 launches per month across all retail outlets and call centers.

[Read the full story](#)

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PHASE THREE

Human-led, agent-operated

This is where you reimagine entire business processes. In this phase, agents move beyond supporting individual tasks or workflows and begin to run end-to-end processes. Your employees define objectives and maintain strategic oversight, while agents execute tasks autonomously and proactively alert humans when intervention is needed.

The division of labor transforms work itself. People focus on vision, relationships, and growth while agents drive operations at unprecedented scale. This delivers breakthrough efficiency and lets you expand impact without expanding headcount.



What this looks like in practice

By now, AI fluency must be organization-wide. Every employee should understand how agents work and when to use them—this is the shift from being “AI users” to being agent bosses. Entire functions can be redesigned around agents: supply chain logistics, finance close cycles, compliance monitoring, customer billing, and more. Instead of automating pieces of a process, you rebuild them from the ground up with agents as the primary operators and humans as the strategic guides.

Where to start

Phase three is about bold experiments. Look for functions where transformation delivers outsized business value, such as global supply chain optimization, enterprise risk management, and end-to-end customer onboarding. These are areas where rethinking the process with agents at the center creates breakthrough performance that redefines what’s possible.

How to scale

Conduct organization-wide pilots with rigorous oversight. Treat agents as mission-critical infrastructure with clear guardrails for performance and failure handling. Test across diverse conditions. Monitor against regulatory requirements. Build in clear escalation paths and human checkpoints before scaling across the business. At this level, success must be measured across your entire organization. Use dashboards to track ROI, compliance, and risk reduction in real time.



Dow transforms at scale

Dow deployed an agent that scans shipping invoices for billing errors buried in complex charges. Weeks into the pilot, it was flagging anomalies employees once spent days tracking down. Once scaled globally, Dow anticipates millions of dollars in annual savings.

[Read the full story](#)

Microsoft 365 Copilot: AI built for work

Becoming a Frontier Firm requires AI that's built for work. Microsoft 365 Copilot delivers the latest AI innovation, tuned for work and tailored to your business.

Personal and team productivity

Microsoft 365 Copilot brings together Chat, Search, Agents, Notebooks, and Create into a unified experience built for work.

- Copilot is powered by the latest models available and grounded in web and work data.
- It's integrated in Microsoft 365 apps and Teams, with advanced AI skills like Agent Mode, Office Agent, and deep reasoning agents to enhance personal and team productivity.
- From Microsoft to trusted third party agents, Agent Store is where you find agents that are ready to work for you.

Business process

Build your own agents with Copilot Studio using natural language or pro-code tooling with the Microsoft 365 Agent SDK. Access pre-built agents in the Agent Store or build custom agents in Copilot Studio.

- Select from your choice of 1500+ connectors, data, actions, and channels to build an agent—from simple to sophisticated.
- Build with Azure AI Foundry—your models, data, tools—and bring it to Copilot Studio to create powerful, custom agents.
- IT stays in charge of every agent across the organization with full visibility, security, and compliance controls.

Enterprise-ready AI

The Copilot Control System is a set of tools designed for IT professionals to better understand and manage AI within their organization.

- Your data is secure within the Microsoft Security Trust Boundary, ensuring compliance and protection across levels.
- Technology empowers people to create what they need at work. We've built powerful controls to help you manage AI sprawl within your company, helping ensure the right people have access to the right tools and are using them as intended.
- Copilot Analytics helps you understand and track usage, adoption, and the business impact of Copilot and agents within your organization.

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Your AI implementation roadmap

Microsoft 365 Copilot delivers the capabilities you need. Now comes the execution. This five-step framework moves you through each phase of AI transformation. You'll cycle through these steps at increasing levels of maturity as your organization advances from individual productivity to human-agent teams to reimagined business processes.

Step 1

Enable Copilot Chat and prepare your workforce

Start with secure, governed AI access for your employees. Work with HR to define how humans and agents will collaborate, establish human-agent ratios, and develop the "agent boss" capabilities your teams need to manage AI effectively.

Step 2

Define Core Units of Work

Identify the discrete, measurable work clusters where Copilot can deliver tangible value. These outcome-driven areas become your focal points for transformation.

Step 3

Prioritize and scope agentic initiatives

Balance quick wins that demonstrate immediate impact with strategic bets that unlock major transformation. Connect each initiative to your Core Units of Work and determine whether Copilot agents or Copilot Studio best address your needs.

Step 4

Validate through a proof of concept or pilot

Test your approach in controlled environments before scaling broadly. Embed governance from the start, iterate rapidly based on real user feedback, and understand when to build a proof of concept versus launching a production pilot.

Step 5

Assess and scale

Measure adoption and impact using Copilot Analytics and other tools. Track how agents influence your Core Units of Work, gather insights from usage patterns and user experience, then refine and scale with confidence backed by data.

Your frontier awaits

Organizations that embrace AI now will define the next era of work. Frontier Firms are scaling AI responsibly, building human-agent teams, and unlocking agility and innovations that competitors can't match.

Microsoft 365 Copilot delivers the capabilities, security, and enterprise context needed to move with confidence. It's more than a tool. It's the foundation for building your AI-powered future.

Learn more about creating the right AI strategy for your organization.



Get the Copilot Implementation E-book

Sources:

¹"2025: The Year the Frontier Firm Is Born," Microsoft Work Trend Index Annual Report, April 23, 2025. <https://www.microsoft.com/en-us/worklab/work-trend-index/2025-the-year-the-frontier-firm-is-born>.

²"AI at Work is Here. Now Comes the Hard Part." Microsoft Work Trend Index, May 08, 2024. <https://www.microsoft.com/en-us/worklab/work-trend-index/ai-at-work-is-here-now-comes-the-hard-part>.

The Work Trend Index survey was conducted by an independent research firm among 31,000 full-time employed or self-employed knowledge workers across 31 markets between February 6, 2025 and March 24, 2025. Knowledge workers in this context means those who typically work at a desk (either at home or at an office).

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