Microsoft 365 Copilot

How to Connect AI to Business Outcomes

A strategic guide



Contents

An introduction to value

1 Advanced thinking:
Strategize your adoption

2 Revenue growth:
How AI helps boost the bottom line

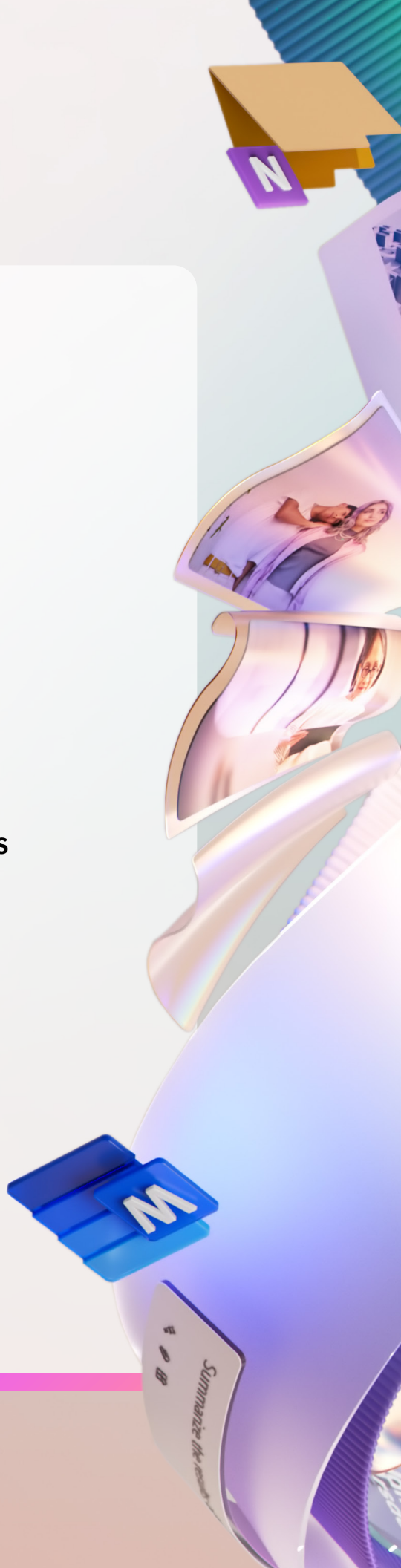
3 Cost optimization:
Automating processes to streamline expenses

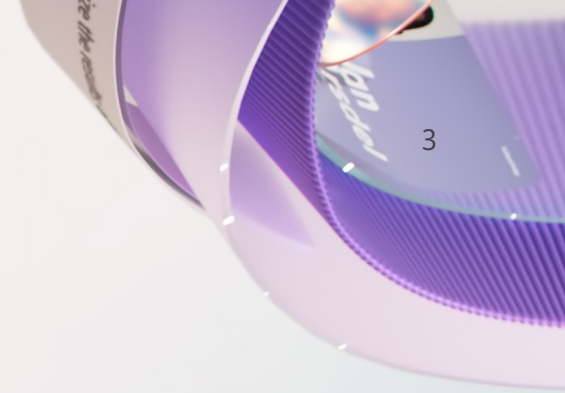
4 Employee engagement:
Helping employees thrive

5 AI across the organization

6 Enhancing customer experience

Conclusion

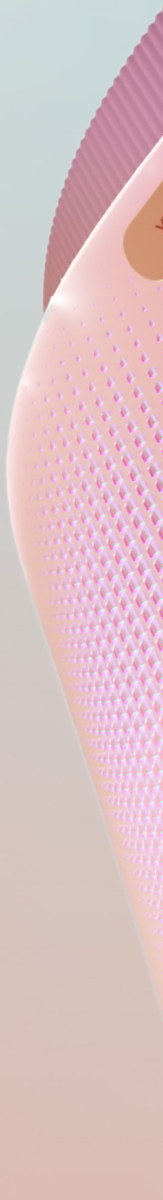




An introduction to value

The age of AI is upon us, bringing the promise of revolutionary technology and opportunities for game-changing innovation. Generative AI can enable employees to do better work faster. It can up-level the skills of your teams and their ability to perform. Improved security, more production, strengthened supply chains, streamlined compliance, better customer service, accelerated sales—all of these are within the realm of what generative AI can bring to the way we work.

As exciting as the promise of AI is, what does that really mean for your organization? How do you know when you're ready to adopt AI, and how can you benefit from it when you do?



If you're not sure of the way forward with AI, you're not alone. **Seventy-eight percent** of leaders are considering hiring for AI-specific roles, but a third of leaders (**33%**) are considering headcount reductions.[1] Meanwhile, the most prominent startups have grown headcount by **20.6% YOY**, at nearly twice the pace of Big Tech (**+10.6%**).[1] All of this points to a deeper shift where innovation—and opportunities—are rising.

This e-book will examine the ways you can find value in bringing AI to your organization. We'll look across business functions for efficiencies and new opportunities. We'll explore how greater employee productivity not only has measurable impact, but creates a more satisfied and stable workforce. And we'll examine how enhanced customer experiences build loyalties and higher lifetime value.

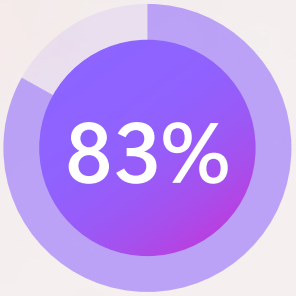


Advanced thinking: Strategize your adoption

You should know that many organizations plan to increase their AI capabilities. **Eighty-two percent** of leaders say they're confident that they'll use digital labor to expand workforce capacity in the next 12–18 months.[1]

This is leading to the development of a new kind of organization: Frontier Firms that are structured around on-demand intelligence and powered by "hybrid" teams of humans plus agents. Workers at Frontier Firms are far more likely than non-frontier workers to use AI for tasks related to marketing (**73%** vs. **55%** globally), customer success (**66%** vs. **44%** globally), internal comms (**68%** vs. **46%** globally), and data science (**72%** vs. **54%** globally).[1]

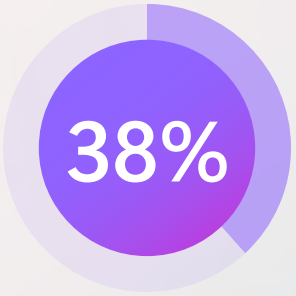
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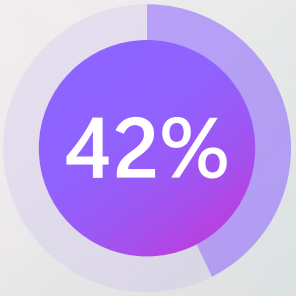
of global leaders say AI will let employees take on more complex, strategic work earlier in their careers[1]

By 2030, LinkedIn projects that **70%** of the skills used in most jobs today will change, with AI emerging as a catalyst[1]

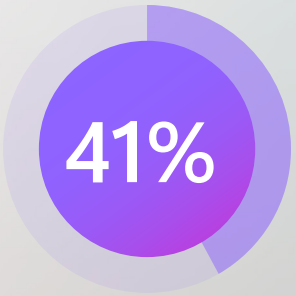
Leaders expect their teams will be:



redesigning business processes with AI[1]



building multi-agent systems to automate complex tasks[1]



training agents[1]

Business leaders sometimes focus on the numbers when considering adoption of new tools—how does any new technology affect the bottom line? But value comes in many forms and can be measured in different ways.

Think about it like this—generative AI creates business value for your organization in three ways:

- **Revenue growth**
- **Optimized costs**
- **Helping employees thrive**



Revenue growth: How AI helps boost the bottom line

Measuring the impact and value of a change in the way you do business is always a challenge. With generative AI, there are some quick and easy wins you can quantify across your organizations.

For starters, AI should help you increase revenue in these ways:

1. A reallocation of time to higher-value tasks

Example: Sales professionals can reduce the time it takes to create proposals, respond to emails, and prepare sales materials—freeing more time to develop client relationships.

KPIs: Opportunities created, deal size, win rate

2. A more rapid completion of higher-value tasks

Example: Finance teams can use AI to analyze data and prioritize worklists, redirecting collection agents to focus on the most critical cases, streamlining incoming cash flow.

KPIs: Internal, external financial spend

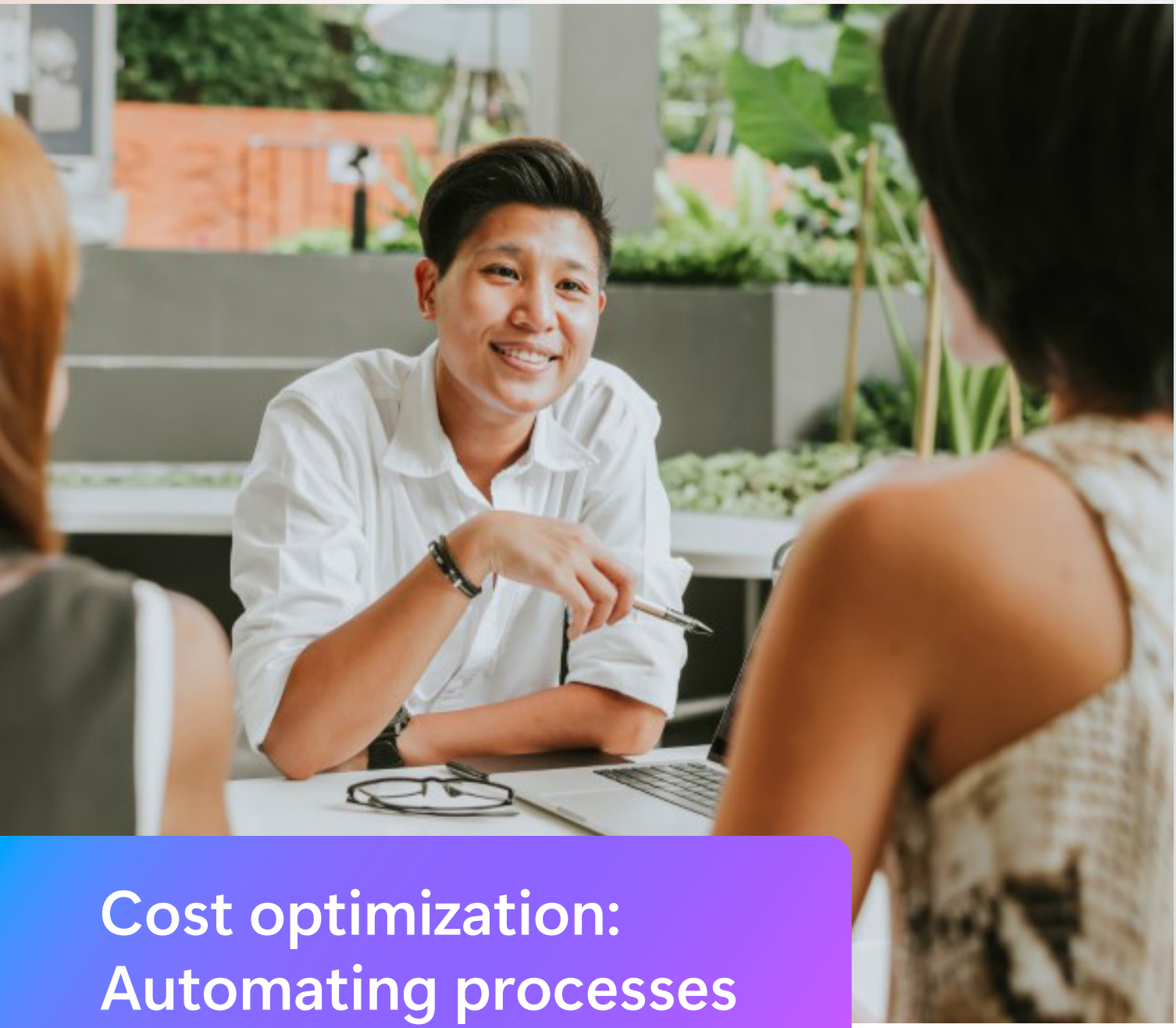
3. The completion of more of the same tasks

Example: Marketing teams can create customer-centric collateral more efficiently, building and launching more campaigns and generating more leads.

KPIs: Leads generated, marketing agency spend

Over time, AI offers opportunities to stretch your capabilities into new areas, but in the beginning, its true advantage is helping you be better at what you already do. AI allows you to handle more tasks more quickly, and to increase the personalization of each customer experience, helping to build higher lifetime value.

By assisting your employees to become more productive, AI can add value to every operation in your business. Employees can do more of what they do, faster—and that can free them to think bigger, creating more opportunities for internal innovations that can drive revenue, cut costs, or both.



Cost optimization: Automating processes to streamline expenses

AI should measurably improve costs. It should help you reallocate vendor spend, for instance, to shift marketing costs away from services like copywriting and translation and toward areas that drive growth.

A thorough examination of your business processes should reveal several places where generative AI can create immediate benefits. AI should be able to help streamline procurement and supply chain management, making payment processes more timely and creating a clear, real-time picture of cash flow and cash on hand.

As your organization's AI IQ develops, you can forecast much more accurately, using AI to analyze trends and predict demand so you can quickly adjust to changes. You can even use it to test new product launches, assessing likely outcomes and refining where needed before you commit funds to production.

1. Cost efficiencies: Customer service

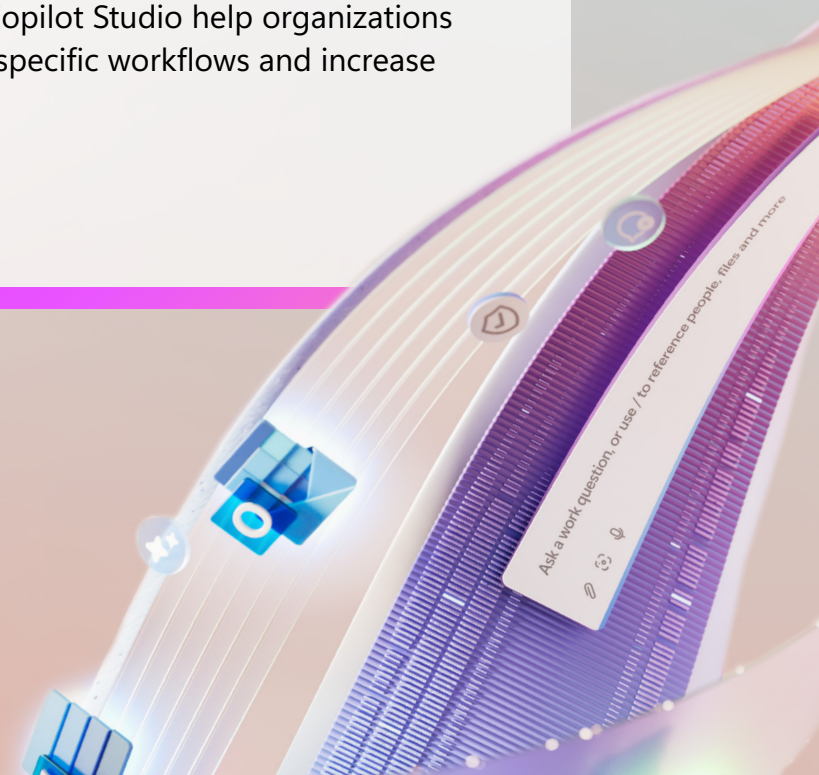
Example: Customer Service representatives can significantly increase their case-handling capacity by utilizing Copilot, which provides immediate access to previous interactions, ticket details, and pertinent customer data.

KPIs: First call resolution time, issue resolution time

2. Cost avoidance: Customize Copilot

Example: Custom applications developed with Copilot Studio help organizations avoid the need to purchase third-party apps for specific workflows and increase end-users' efficiency.

KPIs: IT outsourcing costs





Employee engagement: Helping employees thrive

As work continues to change, so does employee behavior. When asked why they turned to AI instead of a colleague, employees cited 24/7 availability (**42%**), machine speed and quality (**30%**), and unlimited ideas on demand (**28%**) as the top reasons—all things humans cannot provide.[1]

Notably, using AI to avoid human traits—like impatience, the need for explanation, or reliance on judgment—ranked lowest. This suggests people prefer using AI not to replace the value humans provide, but to enhance it.

Effective AI adoption should place the people who will be using it at the center of the strategy. Critical thinking and analytical judgment, complex problem-solving, and creativity become core competencies for employees who work with AI. Workers learning when best to leverage AI, how to write great prompts, how to evaluate creative work, and how to check for bias may find themselves exercising new skills, stretching their performance in ways that help them add even more value to their work.

We suggest five key steps to implement a more successful AI adoption:

1. Bring leaders together to **create guardrails** that help people experiment responsibly with AI.
2. **Be intentional and programmatic.** Pick specific disciplines, processes, and workflows to test and learn, and identify evangelists to lead the charge.
3. Deploy AI **where people need the most relief** based on your organization's pain points and challenges.
4. **Help build AI aptitude**—from practicing prompt engineering to fact-checking and verifying AI-generated content.
5. Leverage learning resources and **crowdsource best practices** from employees.

Last year, employees led the charge in adopting and integrating AI technologies. Now, research shows that **67%** of leaders are familiar or extremely familiar with AI agents, compared to just **40%** of employees.[1]

This difference highlights the need for clear communication and alignment within organizations to ensure that employees understand the full benefits of AI and feel motivated to engage with these technologies.



AI across the organization

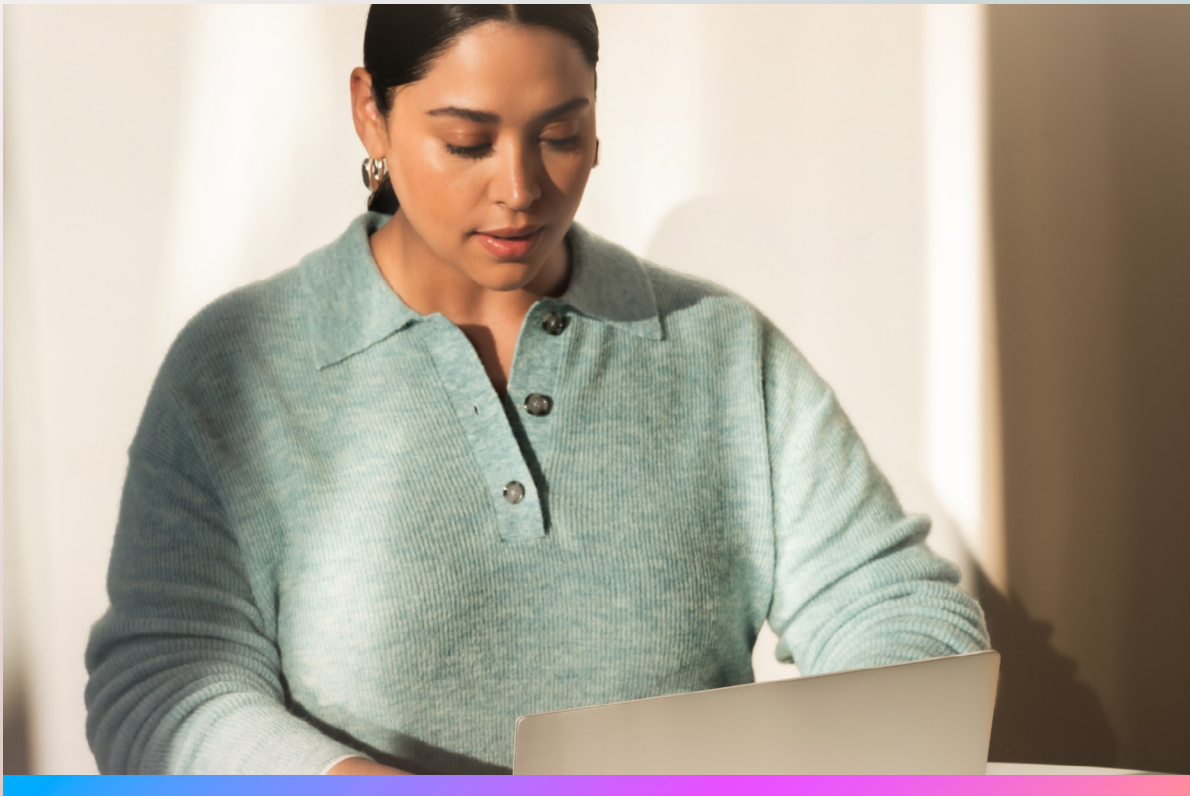
On a broad scale, AI adoption allows you to become a more data-driven organization. All the data you've collected becomes more actionable—and more valuable—when you can analyze it with AI and derive insights that move the business forward.

Let's take a look at how AI can increase revenue, optimize costs and help employees thrive across your organization.

Enable better decision-making

AI can process vast amounts of data quickly and accurately, generating insights that help leaders make decisions based on a clearer understanding of the state of the business at any given moment in time—and anticipate where it should go next.

Example: The predictive ability of AI can forecast trends and future market conditions. Predictive maintenance algorithms can also alert manufacturers to issues before they occur, allowing maintenance to preclude breakdowns that jam timelines. Transportation companies use AI to predict when vehicles will need maintenance as well, ensuring on-time deliveries. With AI, you don't have to wait for monthly or quarterly business reports to see how everything is going—you can make decisions in real time.



Operational efficiency

AI automates the mundane, meaning employees spend less time on rote tasks. This creates two valuable advantages—it reduces much of the menial aspects of work, and it reduces errors that can plague repetitive processes. Freeing employees to focus on higher-value activities increases productivity. Cutting errors can lead to significant cost savings.

Example: Basic business functions executed by any finance team, like the quote-to-cash process, are enhanced by automating price and quote information. This speeds up even highly complex deals. Once a quote is accepted, an accurate, automatically generated proposal follows immediately. AI-generated purchase orders and invoices free sellers to spend more time interacting with potential leads. Accounting teams have more time to focus on tasks that increase the organization's productivity.

Innovation and competitive advantage

AI can drive innovation and increase agility by identifying new market opportunities, creating what-if scenarios that aid product development, and enhancing R&D processes—all of which allows more time for brainstorming, problem-solving, and creative thinking.

Example: AI allows companies to be more agile on both ends of the supply-and-demand spectrum. Companies leveraging AI gain a competitive edge when supply chains falter, quickly identifying new resources and generating the documentation to keep materials flowing. AI also allows companies to forecast future trends and aid in new product design, enhanced by customer feedback.



Risk management and compliance

AI security features can detect fraud, predict risks, and ensure compliance by assessing transactions and activities in real time. Classifying data and automating access help employees stay out of risky situations—and reduce the damage that might occur from a security breach or compliance issue.

Example: Officially adopting generative AI company-wide stems employee use of public AI and keeps sensitive data within the organization. AI aids legal teams in e-discovery and quickly generates customized contracts and agreements. And AI effectively reacts to evolving international data security regulations, minimizing your compliance risks.

Cost reduction

By automating processes, improving efficiencies, and optimizing resource allocation, AI helps reduce operational costs.

Example: Manufacturers wrangle with the complicated interdependence of tasks in the plan-to-produce process. AI can sync production with supplies and then optimize timing to match resource availability with manpower, stabilizing workstreams.



Revenue growth

AI can identify new revenue streams, create effective pricing strategies, and boost sales.

Example: By analyzing massive amounts of data about markets and trends, AI can identify new pools of customers as well as consumer preferences and buying patterns, creating new revenue streams. Creating limitless what-if scenarios with AI allows a company to understand where its next growth opportunity may lie.

Scalability and flexibility

AI systems process enormous amounts of data. Combined with automation, AI can also execute far greater repetitions of tasks more accurately than people can. Both of these features help make a growing business more scalable. They allow companies the flexibility to recognize changes in demand and market conditions in real time and adapt to opportunities more quickly.

Example: In addition to helping identify new revenue streams, AI allows companies to replicate processes when new opportunities arise, or rapidly stand up operations in new locations to address a new opportunity. Crunching massive data sets involving supply chains, workforce dynamics, regulations, and markets allows you to more optimally decide where to build a new distribution facility, service center, or retail outlet.

Improved security

AI enhances cybersecurity by detecting and responding to threats faster than traditional methods.

Example: AI-enabled security tools can react at the speed and scale of AI to threats. Security systems can analyze trillions of signals and identify patterns indicative of cyberattacks, providing proactive protection.





Enhancing customer experience

Loyalty is driven by the relationship a customer has with a company and whether they accomplish their interactions satisfactorily. At almost every touchpoint, generative AI enables speed and personalization, both of which can help foster loyalty.

Here are some of the ways AI can build value by improving customer experiences:

Curate information

Generative AI can deliver content from a variety of sources—including company websites, uploaded files, and third-party sources—in real time, providing instant access to helpful support content. Accessing the right data at the right time helps solve issues faster and build customer satisfaction.

Assist with next-best prompts

Whether you're looking for efficient and effective chatbots, better call-scripting, quicker responses, or any other specific service need, generative AI lets you customize solutions for your business circumstances, allowing you to scale and giving you more flexibility in how to create more satisfying customer experiences.

Empower agents

AI can create call summaries and updates by gathering all relevant voice or messaging interactions within the flow of work. This reduces time agents spend gathering details, while documenting and socializing action items to create best practices across the service center. In addition to building roadmaps to customer satisfaction, empowering employees helps them feel supported and more productive, which can reduce stress and turnover.



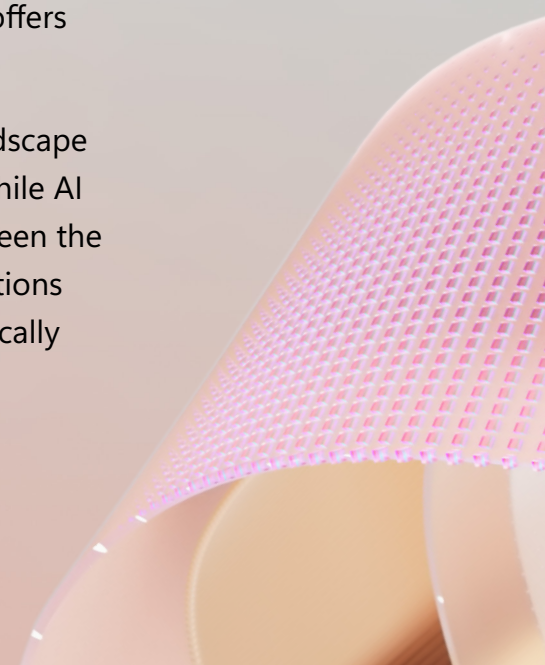
Conclusion

The value of AI adoption can be quantified in different ways. A recent Forrester study demonstrates that Microsoft 365 Copilot is driving **$14.8 million** in net profit, **24 basis points** operating expense decrease, with an increase in new hire onboarding and employee retention rates worth **$3.25 million**.[2] The study cited other improvements—in diversity, equity, and inclusion; in better work-life balance for employees; in enhanced compliance and security—that are less easily quantified, though they still create potentially significant impacts on the bottom line.

The Forrester study combined results to form a single composite organization with projected three-year risk-adjusted net present value (NPV) of **$19.7 million** and return on investment (ROI) of **116%**.[2]

Whether you're measuring revenue boosts, scoping cost optimization, or looking for a more productive and stable work force, generative AI offers substantial value.

That's not likely to diminish anytime soon. The present business landscape likely contains the least amount of AI that the world will ever see. While AI adoption is far from mature, the pace is picking up quickly. As has been the case with almost all innovations in productivity in the past, organizations that find comprehensive AI-enabled technology and develop organically with it are likely to gain a competitive edge over those that don't.



It's important to realize that the value of AI starts with individual productivity and compounds as the technology is adopted through the organization. Whether you're increasing deal conversion and size, streamlining the completion of internal requests, reducing the cost of employee acquisitions, or enhancing creativity and innovation among your workforce, the value of AI becomes apparent. Already, AI is helping people become more creative and productive. Organizations that face the challenge head on and apply AI to drive growth, manage costs, and deliver greater value to customers will surge ahead.



Learn more about Microsoft 365 Copilot and how it can help you maximize the strategic value of AI for your organization.

[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]"The Total Economic Impact™ of Microsoft 365 Copilot." A commissioned study conducted by Forrester Consulting, March 2025. Results are based on a composite organization and calculated and risk-adjusted over a three-year period. https://marketingassets.microsoft.com/gdc/gdc70WbNv/original.

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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Read the 2025 Work Trend Index to learn about the emergence of the Frontier Firm—built on intelligence on demand, human-agent teams, and a once-in-a-generation shift in how we work.



Read the report