



Microsoft 365 Copilot Implementation Guide for Small and Medium Business

Creating the AI-powered organization

Apr 2025

© Copyright Microsoft Corporation. All rights reserved.



Table of contents

Get ready

Technical readiness

- Establish security policies
- Deploy Microsoft 365 apps and configure update channels
- Assign licenses

User enablement

- Driving successful change through leadership
- Identify target scenarios and Flight Crew team
- Share training content and onboard users

Measure success

Extend and optimize

Resources

Microsoft 365 Copilot implementation



Essentials for Copilot success



Nominate and activate your Copilot executive **sponsors**, in partnership with your AI Council



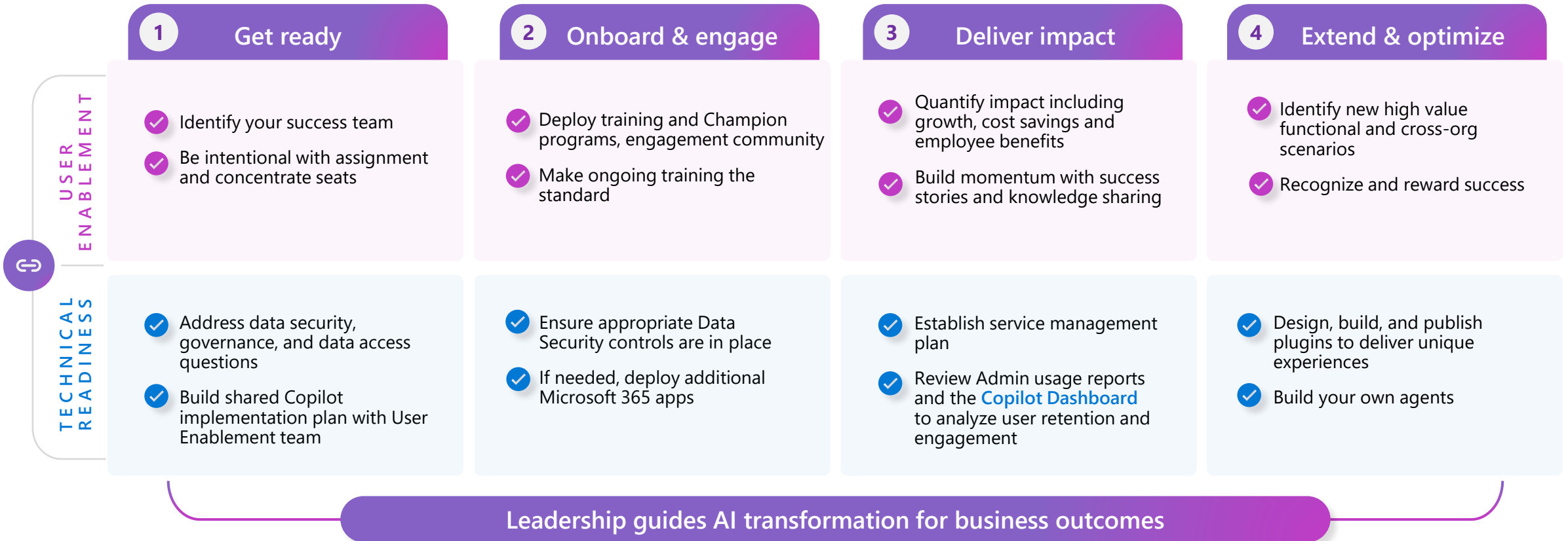
Define initial high value **scenarios** and target a critical mass of users for rapid value



Define your path to **secure** your data for compliance and peace of mind

Microsoft 365 Copilot

Implementation framework



Download our checklist for success: CopilotSMB/ChecklistforSuccess



Microsoft 365 Copilot

How it works

Ensure appropriate Data Security controls are in place

Security and compliance for Microsoft 365 Copilot in SMB



Foundational security controls

Microsoft 365 Business Basic or Business Standard

+ Microsoft 365 Copilot

- Multi-factor authentication (MFA) for secure access to M365 applications with Copilot
- Search and export Copilot prompts and interactions
- Audit logs for Copilot interactions
- Retention or deletion policies for Copilot interactions and generated content
- Restricted SharePoint Search for Copilot interactions and generated content



Comprehensive security controls

Microsoft 365 Business Premium

+ Microsoft 365 Copilot

- Multi-factor authentication (MFA) with conditional access based on identity, device, location, and network
- Search, export, eDiscovery case management, and legal hold for Copilot prompts and interactions
- Audit logs for Copilot interactions
- Retention or deletion policies for Copilot interactions and generated content
- Manual sensitivity and retention labels for content processed by Copilot in files and emails
- Data loss prevention policies to help protect sensitive data from Copilot in files and emails

Setup guide

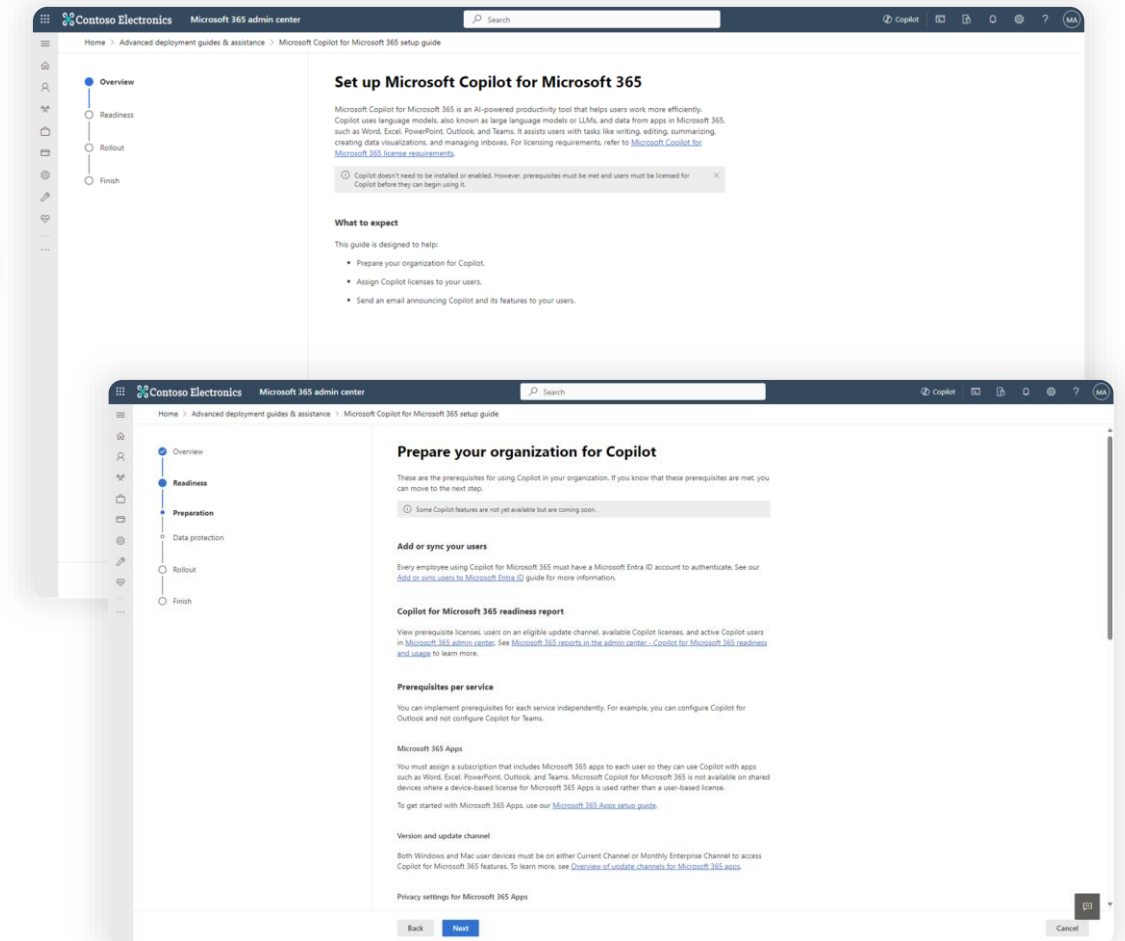
Wizard-based guide covering deployment activities

Use the new Microsoft 365 Copilot setup guide, a wizard-based experience in the Microsoft 365 admin center, to help prepare your organization for Copilot.

Find this wizard in the admin center > Home > Setup page > Apps and Email > [Get ready for Microsoft 365 Copilot](#).

Note: Do this in parallel with the steps in the User Enablement section to ensure you're driving effective change. Look for the "Shared activity" label.

- Ensure you have the right prerequisites and apps deployed
- Confirm that your user devices are on either the Current or Monthly Update Channels
- Assign Microsoft 365 Copilot licenses to your users and initiate welcome email using templates provided to support onboarding



Reference: Ensure foundations are set with Microsoft 365 Copilot

Here is a summary of security configurations to get ready for Microsoft 365 Copilot if you have **Microsoft 365 Business Basic** or **Business Standard**.

Product	Deployment outcomes	Get started activities
Microsoft 365	Ensure security baselines are established	<ol style="list-style-type: none">1. Sign in to the Microsoft Entra admin center as least a Security Administrator.2. Browse to Identity > Overview > Properties.3. Select Manage security defaults.4. Set Security defaults to Enabled.5. Select Save.
	If enabled, update Restricted SharePoint Search allow list	<ul style="list-style-type: none">• Use Restricted SharePoint Search to configure up to 100 sites to be on the allow list of sites. Extend to sites containing highly used, low risk content <p>Note: Restricted SharePoint Search should be used as a temporary solution to secure data while you configure permissions. This feature affects modern search and Copilot experiences.</p>
	Evaluate sharing controls that govern who can share and how broadly	<ul style="list-style-type: none">• Ask site owners to manually review SharePoint site permissions and correct as needed• Ask OneDrive for Business (ODB) owners to run sharing reports in their ODB and correct settings if needed• Set default sharing link type on tenant, and optionally set the sharing link type on specific sites• Set sharing link expiration on anyone links• Set site owner sharing approval on sensitive sites
	Identify inactive sites, restrict access, and move sites to Microsoft 365 Archive or deleted	<ul style="list-style-type: none">• Implement Inactive Site Policy
	Identify potentially overshared content, restrict site access, initiate site owner review	<ul style="list-style-type: none">• Run Data Access Governance (DAG) reports• Apply RAC on sites based on DAG reports• Manually contact top shared site owners from DAG reports and ask them to attest to permissions and sharing configuration
Microsoft SharePoint	Set restricted access control and block file download policies on business-critical sites	<ul style="list-style-type: none">• Apply the BlockDownloadPolicy on sensitive sites• Apply the BlockDownloadPolicy on Teams Meeting Recordings

Reference: Maximize for comprehensive security

Here is a summary of security configurations to get ready for Microsoft 365 Copilot if you have **Microsoft 365 Business Premium** or higher.

Product	Deployment outcomes	Core activities
Microsoft SharePoint*	If enabled, update Restricted SharePoint Search allow list	<ul style="list-style-type: none"> Configure up to 100 sites to be on the allow list of sites. Extend to sites containing highly used, low risk content <p>Note: Restricted SharePoint Search should be used as a temporary solution to secure data while you configure permissions. This feature affects modern search and Copilot experiences.</p>
	Evaluate sharing controls that govern who can share and how broadly	<ul style="list-style-type: none"> Ask site owners to manually review SharePoint site permissions and correct as needed Ask OneDrive for Business (ODB) owners to run sharing reports in their ODB and correct settings if needed Set default sharing link type on tenant, and optionally set the sharing link type on specific sites Set sharing link expiration on anyone links Set site owner sharing approval on sensitive sites
	Identify inactive sites, restrict access, and move sites to Microsoft 365 Archive or deleted	<ul style="list-style-type: none"> Implement Inactive Site Policy
	Identify potentially overshared content, restrict site access, initiate site owner review	<ul style="list-style-type: none"> Run Data Access Governance (DAG) reports Apply RAC on sites based on DAG reports Manually contact top shared site owners from DAG reports and ask them to attest to permissions and sharing configuration
	Set restricted access control and block file download policies on business-critical sites	<ul style="list-style-type: none"> Apply the BlockDownloadPolicy on sensitive sites Apply the BlockDownloadPolicy on Teams Meeting Recordings
Microsoft Purview	Gain visibility into how users are interacting with data in the organization and with Microsoft 365 Copilot	<ul style="list-style-type: none"> Confirm that Microsoft Purview Audit is enabled, if not enable it
	Enable citations and protections for sensitive data access by Microsoft 365 Copilot	Manually Label emails and documents with out-of-the-box sensitivity labels using one-click or previously created policies
	Protect sensitive information from being shared beyond its intended audience and reduce the risk of oversharing	Create and deploy Data Loss Prevention (DLP) policies for SharePoint, Exchange, and OneDrive for Business
	Retain the data you need to keep and remove data that no longer has business value to reduce data surface for oversharing	Create and Configure retention policies to archive or delete content exceeding data retention guidelines or maximum retention date
	Gain additional understanding of content used and shared in Copilot interactions	Use Microsoft Purview eDiscovery Content search to find email in search for in email, documents, and instant messaging conversations

***Note:** If applicable, SharePoint Advanced Management capabilities can help you secure your environment in lieu of the manual configurations listed here.

3 essentials for user enablement



Leadership

Develop leadership capabilities to leverage AI for business outcomes

- ✓ Executive sponsorship
- ✓ Align AI to business strategy
- ✓ Providing clarity and prioritization
- ✓ **Best practice:** AI Council or Steering Committee



Scenarios

Define business objectives, target scenarios, and measures of success

- ✓ Identify Flight Crew team
- ✓ Communications and community
- ✓ Skilling and training
- ✓ **Best practice:** Scenario Library, use case materials, planning worksheet



Enablement

Leverage training and onboarding materials to upskill users

- ✓ Provide onboarding materials
- ✓ Check in regularly
- ✓ Encourage peer-learning
- ✓ **Best practice:** Prompt Gallery, onboarding email templates, Community of Practice

Responsible AI principles

Who should be involved in your user enablement effort?

Transforming to this new way of working requires buy-in and support from across the business. We have identified four key groups who will bridge technology and business outcomes that matter to your organization

Each group has a specific role in implementation and should be engaged early and often. The next few pages will outline the specific role these **Flight Crew** members will play.

- 1 Executive Sponsors
- 2 Success Owner
- 3 Early Adopters
- 4 Champions
- 5 Technical team



Mott MacDonald developed a network of technology champions by engaging the employees who are most interested and enthusiastic about the new capabilities. The company made sure the champions were well trained and sent them out into the business to coach and communicate with colleagues.

Secure exec sponsorship

Ensure they understand the **ABCs**:

A

Active, visible, and consistent participation

B

Build a coalition with their executive peers

C

Communicate directly with employees to support landing the change

Executive Sponsors **should**:

- Help the project team identify and prioritize their top business needs. Encourage shared planning between user enablement and technical implementation teams.
- Play a role in communicating the vision to leaders across the organization.
- Actively participate in and use the Copilot capabilities to help drive and reinforce enablement.
- Promote the enablement program. Studies show engaged employees are **2.6x¹** more likely to fully support a successful AI transformation.

Executive Sponsors **may**:

- Lead or participate in the organizational AI Council.
- Have purchasing authority for licenses or services from supporting suppliers.
- Be directly accountable for Microsoft 365 or broader digital workplace initiatives.

¹[The state of AI change readiness eBook](#), Microsoft Viva People Science

Identify Flight Crew team members



Shared activity

Key roles	Responsibilities	Department	Team member identified for role
Executive Sponsor	Send Microsoft Launch announcement. Help identify and prioritize top HR needs. Connect monthly with HR and IT leaders across the organization. Actively participate in and use the Microsoft 365 capabilities to help drive and reinforce adoption	VP, HR	[Name], [name], [name]
Success Owner			
Program Manager			
Champions			
Training Lead			
Department Leads (Stakeholders)			
IT Specialists			
Communication Lead			
HR Manager			
Community Manager			

NOTE: These roles may be held by the same person on the Flight Crew

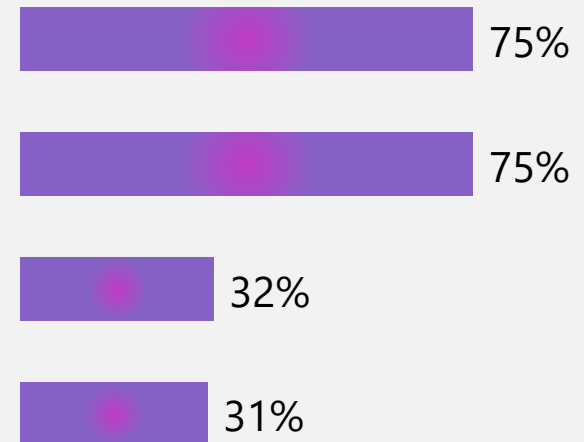
Keys to user enablement success

Research results below support suggested approach for building your adoption plan.

Top reported activities for driving successful product adoption*:

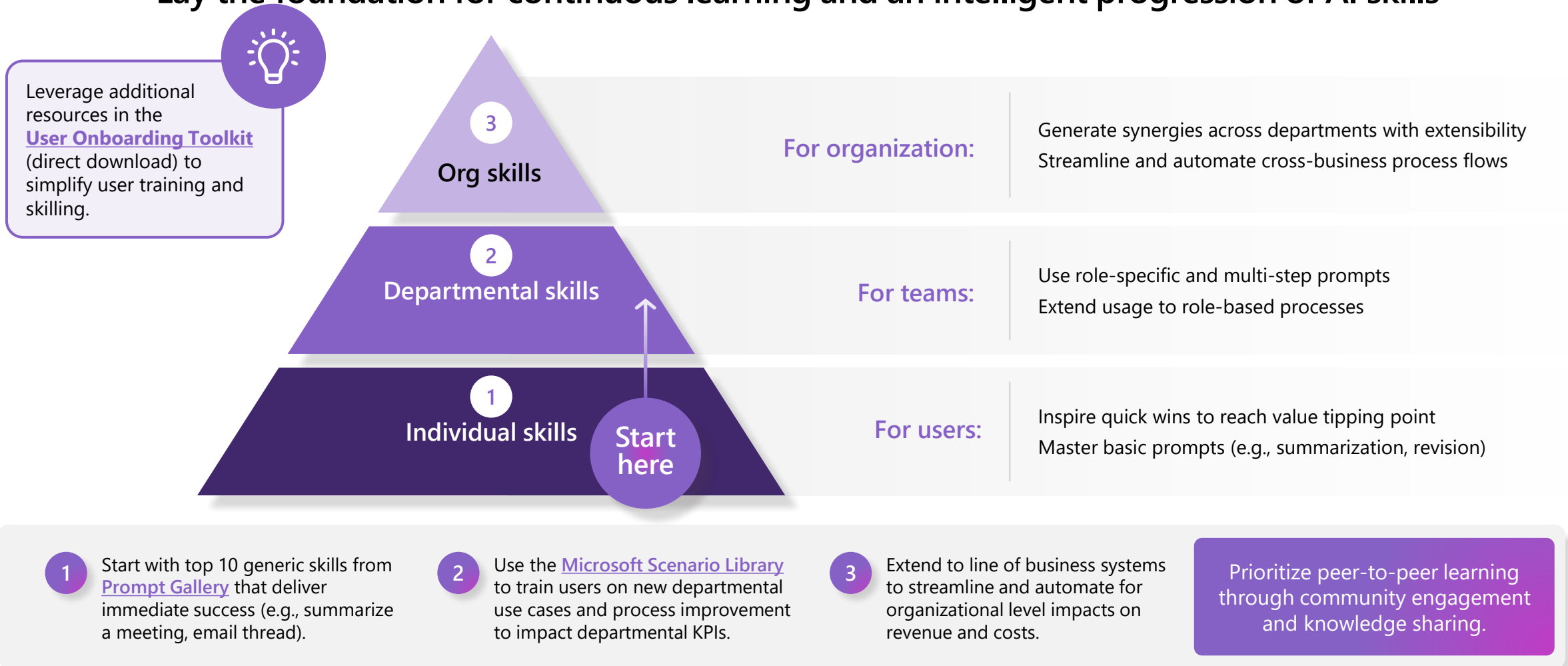
- 1 Define a vision and identify how target product will be used
- 2 Obtain proactive support from key roles to accelerate use of Copilot including senior leadership, legal, ITDMs, and key BDMs
- 3 Enable Champions and provide business **relevant, snackable, and on-demand** training for business users
- 4 Raised awareness through launch event and omni-channel communications planning

% of respondents that rated activity as having above average importance



Onboard & engage

Lay the foundation for continuous learning and an intelligent progression of AI skills





Identify key scenarios and users

Department	Key scenarios you want to leverage Copilot for	Activities to use Copilot	Team member identified for role
Sales	Use Copilot to accelerate customer research and sales preparation	<ul style="list-style-type: none">Use Copilot to draft customer outreach emailsPrompt Copilot to search for information on a customer, pulling from their company website and annual reportsUse Copilot to create meeting agendas with exploratory questions to identify customer needs, pain points, and possible solutions	[Name]
Marketing	Use Copilot to help accelerate marketing campaign conceptualization and content creation	<ul style="list-style-type: none">Use Copilot to brainstorm a list of assets to support an upcoming announcementPrompt Copilot to come up with clever taglines and campaign conceptsJumpstart a messaging framework by using Copilot get start a draft by referencing key documentsSummarize meetings with internal teams or customers to synthesize requirements	[Name]
Customer Service	Use Copilot to improve customer service and reduce customer response times	<ul style="list-style-type: none">Use Copilot to review customer history by summarizing email threads and customer meetings, as well as past interactions.Gather product information from internal and external sources and historical resolutions to aid issue diagnosisDraft proposed responses to customers with CopilotLeverage Copilot to summarize meetings, compile notes and action items	[Name]

Use the [Scenario Library](#) to help identify target scenarios.

AI transformation roadmap

	Quick wins 0 to 1 month	1 to 2 weeks	2 to 3 weeks	4 to 6 months	12 months
Scenario 1	<p>●</p> <p>Purchase 20 seats of Microsoft 365 Copilot, deploy to the first set of employees and send welcome email</p>	<p>●</p> <p>Introduce Copilot-relevant Microsoft 365 apps and train employees on use case scenarios</p>	<p>●</p> <p>Monitor progress and send regular communications to build new working habits</p>	<p>●</p> <p>Expand scenario use cases and assign more licenses to rest of team</p>	<p>●</p> <p>Build plugins or custom agents to personalize use cases</p>
Scenario 2					
Scenario 3					

Build your Community of Practice

Connect and empower employees

Create a community in Microsoft Teams or other community chat tools to generate excitement, share learning, and support Copilot Champions and experts.

Give employees a place to:

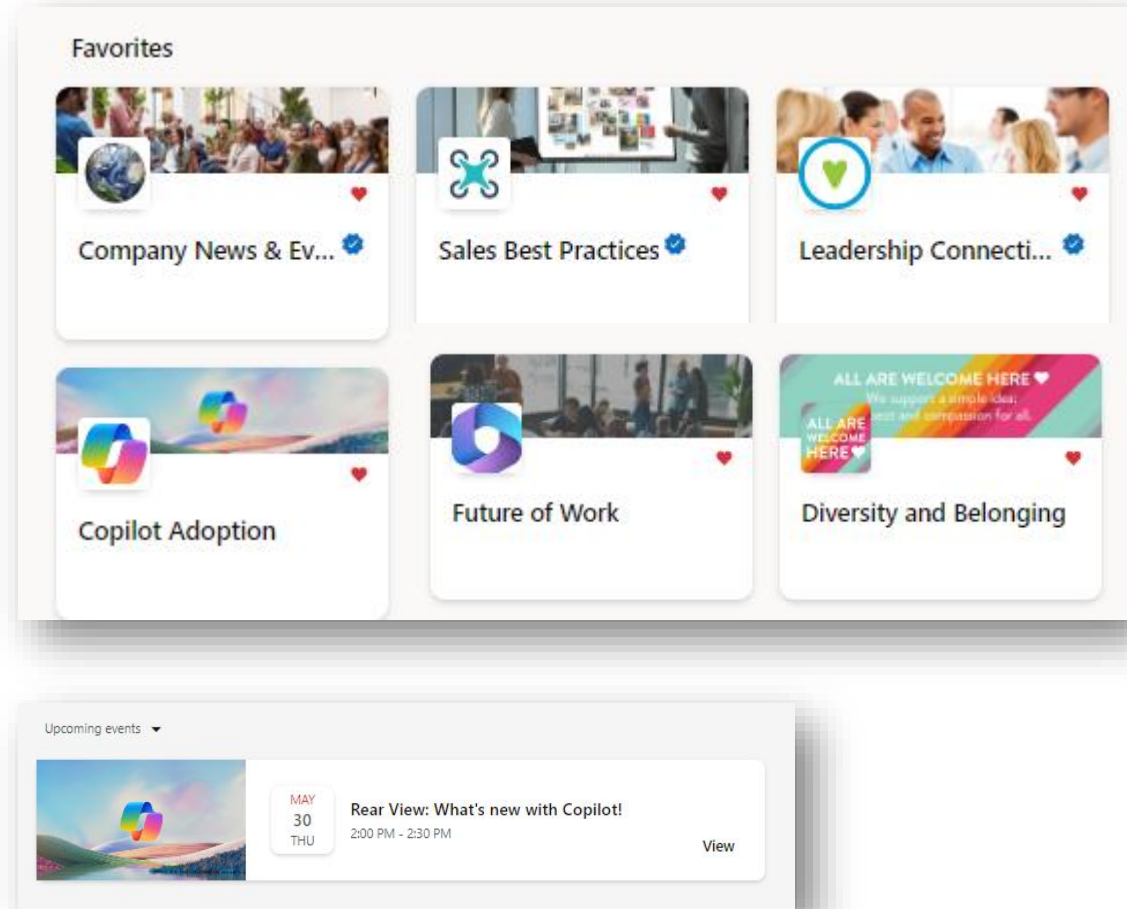
- Share best practices, such as prompts
- Share success stories of Copilot saving time and driving productivity
- Access company announcements on AI usage, direction, and mission
- Facilitate peer to peer learning and Champion engagement

Get ready

Onboard & engage

Deliver impact

Extend & optimize



Workday efficiencies with Copilot

Summarize a long PDF



Turn a 20-page, jargon-filled PDF into 5 bullets using Copilot in Edge

Draft emails and social content



Use it as your professional writer on call to draft emails, captions, and more

Generate images



Leave behind stock images and text-only reports in favor of custom-generated images for emails, on social, and more

Learn new skills



Ask questions tailored to your needs and interests to get consolidated key points from the internet for you

Get answers for specific, complex questions



Get answers to questions that require multiple data points or a degree of analysis

Differentiating between chat experiences

Work vs. web

When signed in with your Entra ID, you'll see a toggle at the top left of your screen.

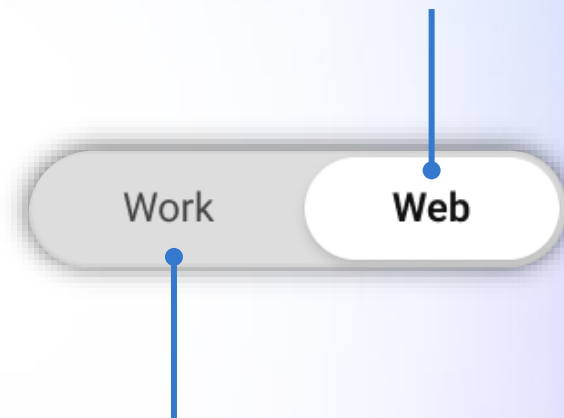
- 1 When the **web toggle** is selected, you'll get GPT-4o plus **web** grounding plus **Enterprise Data Protection** – meaning your user and business data are protected and will not leak outside the organization.

Copilot's web experience has no knowledge cut off and is ideal for finding answers to your questions, expanding your knowledge, creating images, and summarizing web pages in Edge.

- 2 When the **work toggle is selected**, you get **graph** grounding plus **Enterprise Data Protection** – which means that all your data stays inside the tenant boundary.

Copilot's work experience is truly your personal AI assistant at work. This experience is ideal when working with meetings, emails, Microsoft 365 suite applications, and confidential work data.

*Use Copilot to get answers from
current web data
(e.g., latest news, announcements)*

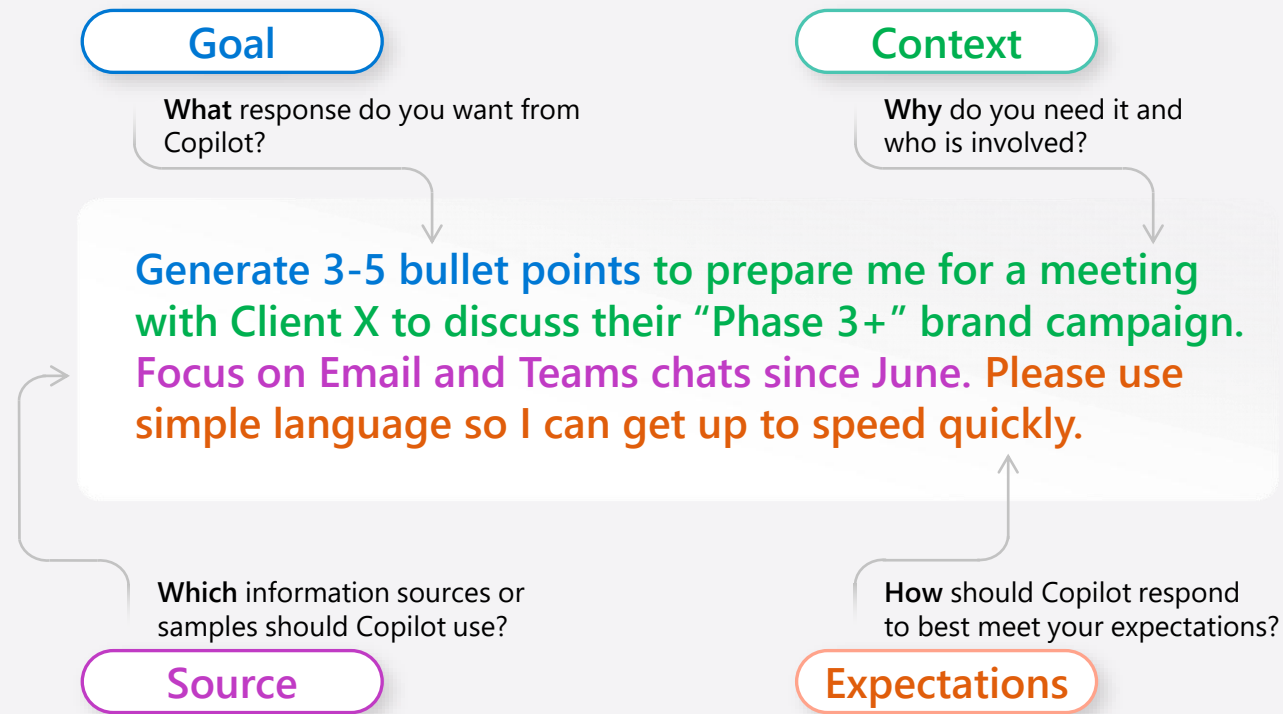


*Use Microsoft 365 Copilot to get answers from
your internal work data
(e.g., your emails, meetings, files)*

Start at copilot.microsoft.com

Prompt Ingredients

To get the best response, it's important to focus on some of the key elements below when phrasing your Copilot prompts.



Top 10 to "Try First"

with Microsoft 365 Copilot

Foundational skills for new users



1

Recap a meeting

– let Copilot keep track of key topics and action items so you can stay focused during the meeting and avoid listening to the recording after.

→ Draft an email with notes and action items from **meeting**



2

Summarize an email thread

– get quickly caught up to a long, complex email thread.

→ Click on the Summarize icon



3

Draft email

– personalize the tone and length.

→ Draft an email to [name] that informs them that Project X is delayed two weeks. Make it short and casual in tone.



4

Summarize a document

– get right down to business by summarizing long documents and focusing on the relevant sections.

→ Give me a bulleted list of key points from **file**



5

Tell me about a topic/project

– provide insights and analysis from across multiple sources to get up to speed quickly.

→ Tell me what's new about **topic** organized by emails, chats, and files?



6

Give me some ideas for ...

– boost your creativity with ideas for your work such as agendas, product names, social media posts, etc.

→ Suggest 10 compelling taglines based on **file**



7

Help me write ...

– jumpstart creativity and write and edit like a pro by getting a first draft in seconds.

→ Generate three ways to say [x]



8

What did they say ...

– when you vaguely remember someone mentioning a topic, have Copilot do the research.

→ What did **person** say about **topic**



9

Revise this content

– when you've got a rough draft of an idea, turn it into usable text and then vary the length and tone.

→ Rewrite with Copilot



10

Translate a message

– with business becoming increasingly international, it's important to be able to read or write messages in other languages.

→ Translate the following text into French:

For more prompts, visit the Prompt Gallery at:
<https://copilot.cloud.microsoft/prompts>

Deliver impact: Analyze usage reports

Interpret the Microsoft Copilot Dashboard data

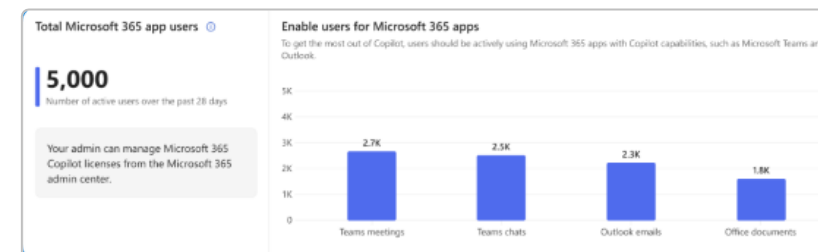
In the [Readiness tab](#), you assess your organization's overall readiness for Copilot rollout based on technical eligibility requirements and overall Microsoft 365 app usage.

In the [Adoption tab](#), you track user adoption trends per Microsoft 365 app and understand how employees are using Copilot features.

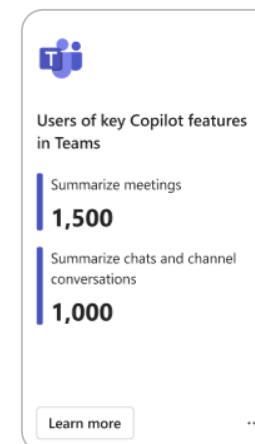
In the [Impact tab](#), you gain visibility into total Copilot assisted hours, time savings and behavioral changes between active Copilot users and non-Copilot users.

The [Learning tab](#) provides information research around the impacts of AI on workplace productivity.

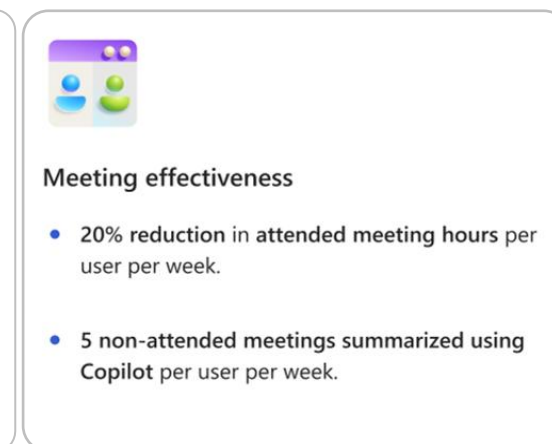
- Instruct users to [access the Copilot Dashboard in Teams or web app](#) to analyze the tabs
- Analyze Readiness, Adoption, and Impact tabs
- Follow the instructions on the Impact tab under Sentiment section to deliver a survey to users
- [Upload](#) the survey results through the Microsoft 365 admin center to have them displayed in the Microsoft Copilot Dashboard
- Analyze insights on how users feel about the AI assistance they receive from Copilot



Readiness



Adoption



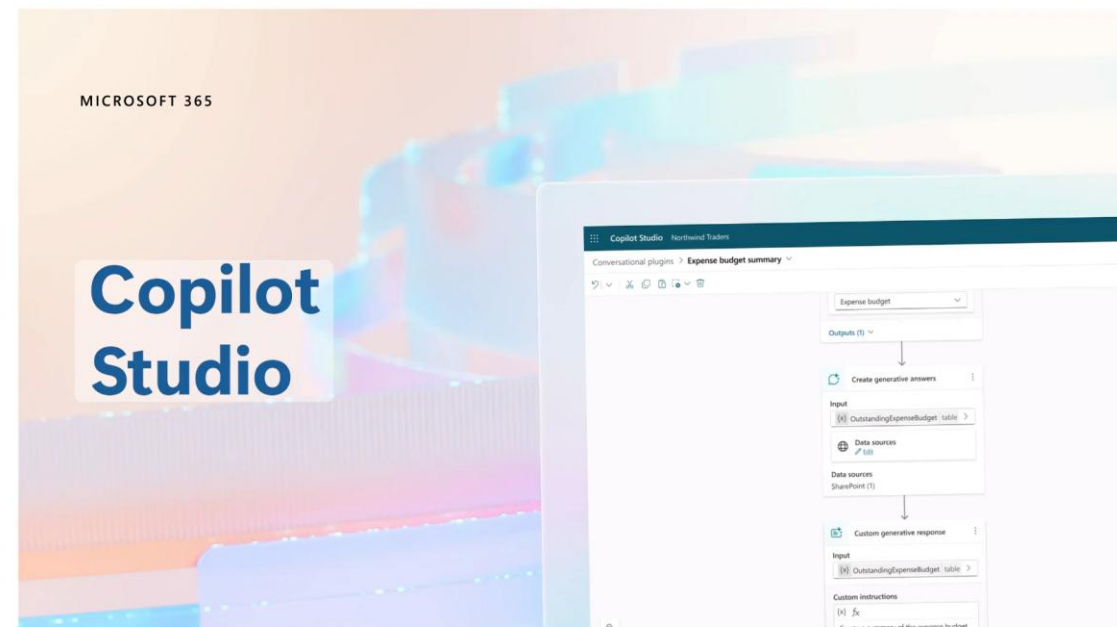
Impact

Extend & optimize: Design, build, and deploy custom agents

Design and build custom agents

To enhance the Microsoft 365 Copilot experience and cater to specific business requirements, you can create agents through connectors and plugins. Microsoft 365 Copilot Studio allows you to customize Copilot to work the way you need:

1. **Quickly and easily create your own conversational agents** for customers or employees with an intuitive low-code tool
2. **Connect Copilot to your data in CRM, ERP, HCM, and more** using 1,000+ Copilot connectors
3. **Ground Copilot in your business data by enabling pre-built agents** from the store
4. **Configure Copilot responses to specific questions** on topics like compliance, HR policies and more



- Determine the path forward for extensibility with our [decision guide](#)
- Try Teams toolkit with Teams AI Library at aka.ms/TryTeamsToolkit
- Don't miss a thing! Express your interest to receive an alert when extending Microsoft 365 Copilot with custom agents built with Microsoft Copilot Studio is in Public Preview and try it out yourself. Sign up here: aka.ms/TryCopilotAgents
- To learn more, go to [Extend Microsoft Microsoft 365 Copilot | Microsoft Learn](#)

Extend & optimize: Build your own agents

Copilot Studio

Copilot Studio in a Day

½ day to 1 (one)-day hands-on workshop for subject matter experts and business users, covering the breadth of Microsoft Copilot Studio.

The goal is for customers to:

- Have enough experience with the product to be able to understand the value and features currently in preview and how they could begin to use it
- Understand how Copilot Studio differentiates from the competition and become Copilot Studio advocates in their organization
- Know what the next steps are to learn more about Copilot Studio and become part of the community
- To develop your own copilot for high-value scenarios

- The latest workshop materials are published on GitHub at aka.ms/CopilotStudioWorkshop
- Access the learning path at aka.ms/CopilotStudioTraining
- Sign up and attend Copilot Studio in a day events at aka.ms/CopilotStudioInADay
- Check for latest content on [Microsoft Power Platform Partner Hub](#)



Security and compliance add-ons available for Business Premium

Microsoft 365 Business Premium meets the security and compliance needs for most SMBs when using Microsoft 365 Copilot. For those needing extra protection, additional add-ons can be purchased with a Business Premium license.

Information Protection and Governance (\$7pupm)

- ***Microsoft Defender for Cloud Apps** assists in discovering SaaS apps and protects users from accessing risky ones
- **Communications DLP (Teams chat)** blocks sensitive content when shared with Teams users
- **Endpoint DLP** prevents data leaks of sensitive items stored on Windows 10/11 and macOS devices
- **Automatic sensitivity labels (client side)** automatically discovers, classifies, labels, and protects sensitive data
- **Machine learning-based sensitivity labels** uses trainable classifiers to identify items and assign labels
- **Records management** helps manage legal obligations for businesses
- **Advanced message encryption** helps to control sensitive emails shared outside the organization

Insider Risk Management (\$6pupm)

- **Insider risk management** helps minimize internal risks by responding to malicious activities
- **Communication compliance** helps detect business code of conduct violations

eDiscovery and Audit (\$6pupm)

- **eDiscovery (premium)** end-to-end workflow for managing eDiscovery cases and investigations
- **Audit (premium)** featuring longer record retention and intelligent insights policies

**Can be purchased as a standalone product
Note: This may not reflect the full set of features available in these packages. The features identified above are highly relevant when using Copilot for M365.*



Copilot and Microsoft 365 SMB Community

The **Copilot and Microsoft 365 SMB Community** is for small and medium business members will get exclusive and direct access to Microsoft product teams.

- Members' feedback will contribute to the prioritization of our engineering efforts this upcoming fiscal year
- Attend our monthly calls, where we will share tips and tricks to help accelerate your business
- Members are nominated to exclusive NDA insider programs within Microsoft and invited to experience features before they're released to the public

Visit <https://aka.ms/SMBCommunitySignUp> or scan the QR code to join the Copilot and Microsoft 365 SMB Community.



Copilot for Small and Medium Business resources on Microsoft Adoption

One site for all your Copilot needs

<https://adoption.microsoft.com/copilot/smb>

- Resources by role
- Product announcements and news
- Links to all other Microsoft sites
- Extended links for Microsoft Teams for SMB, Microsoft Viva, and more
- Call us: +1-919-364-8621
- Email: info@MyITTeam.pro

