

READY FOR COPILOT?

Building the
Foundation for AI
in Microsoft 365

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THE AI MOMENT IN MICROSOFT 365

Microsoft 365 Copilot and other Artificial Intelligence (AI) innovations have quickly become a part of our day-to-day lives and organizations are eager to bring that intelligence into the workplace. The AI-hype promises to not only revolutionize how work gets done but also promises quick returns. Those promises, while compelling, are often overly optimistic.

The reality: most organizations have not yet established the foundation required to effectively leverage AI. Without clean, accessible information, strong governance, and clear strategy, the benefits of AI will be limited, and in some cases, increase risk.

A recent [MIT business analysis](#) revealed that 95% of enterprise generative AI pilots fail to deliver measurable business impact. The issue wasn't the technology itself; it was organizational readiness. Companies were unprepared to support AI at scale.

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of enterprise generative AI pilots fail to deliver measurable impact.

This underscores the central theme of this eBook: AI success begins long before deployment, and organizations must prepare their Microsoft 365 environments to truly unlock Copilot's value.

This eBook is designed to help you:

- Modernize your Microsoft 365 environment
- Prepare your information and governance for AI
- Prioritize use cases that align with your strategic roadmap
- Avoid the most common reasons AI initiatives fail

If you're wondering, "Are we really ready for Copilot?", this guide is for you.

THE FOUNDATION OF AI: INFORMATION MANAGEMENT

For most business-focused AI, everything starts with information. Whether you're automating tasks, analyzing data, or using Copilot to generate content, the quality and accessibility of your information will determine the quality of your results.

UNDERSTAND YOUR DATA LANDSCAPE

The first step in preparing for AI is understanding your organization's data. That starts with mapping your information processes and categorizing the types of data you manage. Ask:

- * **How is data created or captured?** Emails, paper documents, line-of-business systems, third-party applications, user-generated content, etc.
- * **Where is data stored today?** File shares, SharePoint, OneDrive, Teams, cloud storage, third-party systems, databases, and in physical filing cabinets.

Data mapping will clarify how information flows through your organization and where it lives. It sets the stage for modernization, migration, and AI readiness.

BUILD THE INFRASTRUCTURE FOR AI ADOPTION

Once you understand your data, you can begin building the infrastructure required for AI:

- * Rationalize and modernize repositories (migrate from file shares to SharePoint Online).
- * Standardize structures so content is easier to find and manage.
- * Implement security, governance, and lifecycle policies.

This kind of groundwork takes time, often months or longer depending on your size and complexity, but it pays off. With clean, structured, secure data in Microsoft 365, you're ready to leverage AI tools that streamline operations and improve decision-making.

ENSURE DATA QUALITY AND COMPLIANCE

Next, evaluate data quality and compliance:

- * **Accuracy & reliability:** Can you trust this information for trend analysis, forecasting, and decision-making?
- * **Sensitivity & regulation:** Does it include PII, health records, financial details, or other highly regulated content?
- * **Access control:** Are only authorized people able to see sensitive data?

Data security and compliance are non-negotiable when you introduce Copilot. You must be confident that the content AI can "see" is properly governed.

WHY AI INITIATIVES FAIL

There's no shortage of AI projects promising transformation. But many fail or stall along familiar patterns.

1. LACK OF CLEAR OBJECTIVES AND STRATEGY

AI projects often start with curiosity rather than clarity. Without a well-defined business problem or goal, it's hard to measure success, prioritize use cases, or communicate value to stakeholders.

This challenge isn't theoretical. According to a 2025 S&P Global Market Intelligence survey, 42% of organizations abandoned most of their AI initiatives, often because pilots weren't aligned with real business problems or couldn't be integrated into existing workflows.

42%

of organizations abandon AI initiatives.

2. POOR DATA QUALITY AND AVAILABILITY

AI models learn from your data. If that data is incomplete, outdated, or inconsistent, AI will give unreliable results and confidence in the solution quickly erodes.

3. INSUFFICIENT EXPERTISE AND TALENT

Successful AI adoption needs a mix of skills: business, data, technology, and change management. Without that blend, organizations can end up with models that don't solve real problems or tools that nobody knows how to use.

4. INADEQUATE INFRASTRUCTURE AND TOOLS

AI requires scalable infrastructure including cloud services, storage, and tools capable of handling complex workloads.

5. FAILURE TO INTEGRATE AI INTO BUSINESS PROCESSES

AI is not just a model or a license; it must be integrated into everyday workflows. If it's bolted on instead of built in, adoption will suffer.

When you address these five areas proactively, your AI initiatives are far more likely to succeed, and your Copilot rollout will be grounded in reality rather than hype.

PREPARING FOR MICROSOFT 365 COPILOT

Microsoft 365 is the core platform for collaboration and information management in many organizations. Copilot builds directly on top of that environment so if your content is messy or siloed, Copilot will inherit those issues.

GOING PAPERLESS

Despite years of “digital transformation,” many processes still rely heavily on paper. The [Market Momentum Index by M-Files](#) found that 45% of business processes still rely on paper which is a serious obstacle to AI.

45%

of business processes still rely on paper.

FIRST STEPS:



Implement a modern document management solution like SharePoint.



Digitize paper documents using OCR so they're searchable and usable by AI.



Automate workflows that still depend on manual processes using the Power Platform.

Before you consider Copilot, prioritize digitization to unlock data trapped in physical documents.

ADOPTING AUTOMATION

Only a small fraction of organizations have achieved advanced workflow automation with AI or RPA. Many still rely on manual processes and ad-hoc workarounds.

Copilot and the Power Platform can help automate repetitive tasks, but you'll get the best results when workflows are:

- * Well-documented
- * Standardized
- * Supported by systems that communicate with each other.

Start by automating simple, high-volume tasks like approvals, notifications, document routing and build toward more advanced AI-enabled scenarios.



MODERNIZING LEGACY SYSTEMS AND TOOLS

Many organizations still rely on legacy Microsoft technologies like SharePoint Server, InfoPath forms, SharePoint Designer workflows, classic SharePoint sites, and custom on-premises solutions. These tools were not designed for cloud-first, AI-driven environments and can severely limit Copilot's effectiveness. Modernizing these systems is essential for Copilot readiness.

Copilot depends on modern connectors, clean and structured content, reliable permissions, quality metadata, and strong governance. Legacy systems disrupt all of these. Modernizing them ensures that Copilot can:



Surface the right information.



Keep data secure.



Automate processes reliably.



Produce accurate, trustworthy results.

MAPPING AI USE CASES TO YOUR STRATEGIC ROADMAP

Even with a modernized environment and a powerful tool like Copilot, success depends on where you apply AI.

ALIGN AI WITH BUSINESS OBJECTIVES

Start with your strategic priorities like increasing revenue, reducing operational risk, enhancing the customer experience, and improving productivity. Then identify AI and Copilot use cases that directly support those goals:

- * Streamlining contract review with AI-powered extraction and summarization
- * Reducing time-to-resolution in support by surfacing knowledge articles via Copilot
- * Automating onboarding tasks with Power Platform workflows and Copilot-generated content

When each AI initiative clearly supports a business objective, buy-in and funding come more easily.

PRIORITIZE HIGH-IMPACT INITIATIVES

A targeted approach helps focus efforts on initiatives that will bring measurable outcomes like:

- * Improving product recommendations
- * Automating supply chain management
- * Optimizing internal workflows

This focused approach is essential in avoiding the common pitfall of AI projects that are disconnected from your core objectives.

PLAN FOR SCALE

AI isn't a one-and-done project, it's a capability you'll grow over time. A good roadmap includes:

- * Foundational projects (content clean-up, governance, digitization)
- * Early use cases (summarization, drafting, automation in a few departments)
- * Expansion phases (more complex scenarios, cross-system integrations, advanced analytics)

This progression ensures you're building for long-term success, not just short-lived experiments.

THE BASICS OF AI READINESS

True AI readiness goes beyond flipping the Copilot switch. It includes:

1. CLEANING UP CONTENT

Redundant, Obsolete, and Trivial (ROT) content and poorly structured repositories make it harder for Copilot to find the right information. The result: confusing responses, outdated documents, or the wrong file entirely.

Focus on:

- Identifying and removing ROT
- Applying consistent metadata and labels
- Reorganizing content into logical structures

3. AUTOMATION AND AGENT LIFECYCLE OVERSIGHT

Just like we saw with the growth of Power Platform, governance is crucial as AI agents are created.

Put the following guardrails in place:

- Provide a catalog or inventory of agents, flows, and automations
- Setup approval workflows for new automations
- Set policies for reviewing, expiring, and retiring unused or risky agents

2. ACCESS AND PERMISSIONS AUDIT

Copilot respects existing permissions but if those permissions are messy, your results will be too.

Take time to:

- Review sensitivity labels, DLP policies, and sharing settings
- Tighten access to sensitive sites, libraries, and teams
- Use Microsoft Purview to secure and govern data

4. USER EDUCATION AND ENABLEMENT

Copilot's value is unlocked when users know how to use it well.

Invest in:

- Role-based training and best practices
- Clear guidelines on appropriate use cases and data sensitivity
- Ongoing support as features evolve

ARE YOU READY FOR COPILOT?

Use this high-level checklist to gauge your current state:

INFORMATION & CONTENT

- We understand where our critical content lives and how it's used.
- We have begun (or completed) modernization programs.
- ROT content is being identified and remediated.
- Key sites, libraries, and teams have consistent structures and metadata.

GOVERNANCE & SECURITY

- Sensitivity labels and DLP policies are defined and in use.
- Access to sensitive content is limited and regularly reviewed.
- We use tools like Microsoft Purview for visibility and compliance.
- We have policies for Copilot, Power Platform, and automation governance.

DATA QUALITY & READINESS

- We've prioritized high-value use cases and cleaned data tied to those scenarios.
- We're improving data quality using repeatable processes, not one-off fixes.
- We understand where data gaps or risks still exist.

PEOPLE & ADOPTION

- We have executive sponsorship and clear business objectives for Copilot.
- We've planned pilot projects with defined success metrics.
- Users will receive targeted training and ongoing support.
- We have a feedback loop to refine use cases and improve the experience.

If you can't confidently check most of these boxes yet, you're not alone. That's exactly where an AI readiness and modernization program comes in.



HOW COMPASS365 CAN HELP

AI DOESN'T FIX DISORGANIZED CONTENT, IT MAGNIFIES IT

If your Microsoft 365 environment is cluttered, poorly governed, or fragmented across legacy systems, your Copilot experience will reflect that with:

- * Confusing responses
- * Exposed or overshared data
- * Missed opportunities for real productivity gains

To get the most out of Microsoft 365 Copilot and other AI innovations, you need a solid foundation.

Compass365 offers two powerful service tracks to ensure your Microsoft 365 environment is ready for AI and modern collaboration.

AI READINESS ACCELERATOR FOR MICROSOFT 365 COPILOT

The AI Readiness Accelerator is designed to help organizations build a strong foundation for Microsoft 365 Copilot. Through assessment, content and governance optimization, structured user enablement, and a controlled pilot, we ensure Copilot is implemented securely and positioned to drive real business impact.



ASSESS

Tenant, content, structure, permissions, licensing, and governance.



OPTIMIZE

Reduce ROT, apply metadata and labels, rework SharePoint and Teams structures.



ALIGN

Compliance, DLP and sensitivity labels using Microsoft Purview and other governance tools.



ENABLE

Tailored training, use cases, governance, adoption strategy, and a pilot-to-scale framework.

MICROSOFT 365 MIGRATION & MODERNIZATION

Our Microsoft 365 Migration and Modernization services are designed to help organizations build a strong foundation for the modern workplace. Through structured migrations from legacy systems, content and collaboration modernization, and platform optimization, we ensure Microsoft 365 is positioned to support AI, automation, and long-term business growth.



MIGRATION

Move file-shares, legacy systems, and on-prem SharePoint to modern Microsoft 365.



ROADMAP

Analyze current environment and design a modernization path that aligns to business goals.



MODERNIZATION

Rebuild sites, migrate content, retire legacy tools, test, cut-over, and support go-live.



ADOPTION

Training, change management, and a roadmap for leveraging tools like Power Platform and Copilot.

Whether you're getting ready to adopt Copilot this quarter or two years down the road, investing in modernization and governance now will pay dividends. With Compass365's structured offerings, you can turn your Microsoft 365 environment into a secure, intelligent platform, ready for AI-driven productivity and long-term value.

READY TO GET STARTED?

CONTACT US

Schedule a free strategy session and explore which service track fits your needs.

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