Workplace Fears Around Generative AI Eased with Increased Familiarity – New Study

- *Microsoft Copilot for M365 found to increase structured creativity, idea sharing and problem solving, but may limit improvements in spontaneous, original thinking.*
- *Average ratings for the tool's transparency (78%) and accountability (65%) reflect the role of understanding the tool's decision-making process and adoption of responsible AI frameworks in driving confidence in Microsoft Copilot.*

Seattle, July 17, 2024 – A new report based on the experiences of 700 employees launched today by Avanade, the leading Microsoft solutions provider, reveals the workplace impact of Microsoft Copilot for Microsoft 365 (Copilot for M365) on employee experiences.

As pioneers in the adoption of Copilot for M365, the seven-week study involved the biggest pilot group for Copilot for M365 to have been undertaken during the Microsoft Early Access Program and investigated the impact of the generative AI tool on six human metrics in the workplace: communication, creativity, trust, work satisfaction, belongingness, and organisational citizenship behaviour. Overall findings revealed increased structured creativity, by which individuals are equipped with a systematic approach to problem solving, but limited improvements to spontaneously generated or original thinking.

Communication
Almost half (45%) of employees felt less cautious about their communication when assisted by Copilot as familiarity with the tool increased. The approval rating of Copilot for M365 decreased from 73% to 70% during the seven-week study phase as employee expectations aligned with a better understanding of its capabilities and demonstrates that communication remains a strong use case for the tool.

Creativity and Innovation
During the study phase, Avanade's overall creativity and innovation score increased by 2%, reaching 82%. The approval rating for Copilot rose from 80% to 89%, indicating that more employees found it effective in supporting their transition to new ways of working. However, there was a slight decline in the preference for tasks that require original thinking. This might imply that while Copilot is effective in facilitating routine and adaptive tasks, employees may feel less inclined to engage in tasks that demand high levels of creativity and originality when using the tool. Understanding and addressing this trend will be crucial as we continue to balance the benefits of automation with the need for human ingenuity.

Trust
Almost nine in ten (88%) perceived Copilot for M365 to align with corporate values and over half (65%) said it aligned with individual personal values. Copilot for M365's assistance with tasks was well-regarded, with a 75% satisfaction score. However, the average ratings for the

tool's transparency (78%) and accountability (65%) highlight the need to better understand its decision-making process and to strengthen governance measures.

Commenting on the findings, **Veit Siegenheim, Global Future of Work Lead, at Avanade**, said: "*The data shows that the vast majority of employees see the value of Copilot for M365 for communication purposes, despite initial caution. It can also support the articulation and execution of new ideas and free up time for more strategic thinking through the automation of administrative tasks. However, this may also curb spontaneous, original thinking and whilst employees acknowledged the respectfulness and fairness of the system's suggestions, they have concerns around its oversight and accountability long-term. Ultimately, Copilot for M365 is not a 'flip the switch' technology but holds huge potential for improving communication and creativity when implemented. By understanding these challenges, we can better support our clients in navigating the adoption process and maximizing the tool's value.*"

Work satisfaction
Following the introduction of Copilot for M365, 85% of people said they felt a sense of accomplishment from their work. 80% of people said they remained engaged with tasks, indicating that Copilot for M365 integrated well into daily routines without reducing the stimulating aspects of work.

Belongingness
Generally, levels of team cohesion were sustained following the introduction of Copilot for M365. 85% reported that the sense of camaraderie and support from team members remained steady throughout the study. However, average belongingness and team collaboration score decreased by 2%, suggesting room for further consideration and improvement.

Organizational citizenship behaviour
Technological adaptability increased to 86%, indicating that the tool may facilitate or encourage technical skills and adaptation to new tools. Altruism and courtesy remained stable at 88%, suggesting that Copilot for M365 did not detract from the collaborative and helpful spirit of the organization.

AI Readiness
Organisations are evidently enthusiastic about driving business value with AI, but readiness lags behind ambition as highlighted in [Avanade's AI Readiness Report](). This study of 3000+ business and IT executives around the world found that almost all IT executives (92%) agree that their organization needs to shift to an AI-first operating model within the next 12 months to stay competitive. Almost two-thirds (63%) of respondents recognise that employees will need some new skills or a completely new set of skills to work with generative AI tools like Microsoft Copilot in their day-to-day roles, yet less than half (48%) have actually put in place a complete set of specific policies for responsible AI. While eager to leverage AI, businesses need to prioritise investing in the upskilling of their workforce and implement robust ethical frameworks in order to seize the technology's many benefits.

Karl-Olof Hildingsson, Senior Manager, Collaboration, Scania Group said, "*Imagine that you have thousands of co-workers making small improvements every day. That suited us very well with Microsoft Power Platform, because that's the everyday work we need to do. Avanade is also helping us with the security review of M365 Copilot and that tool will bring additional small improvements for our end users every day.*"

Siegenheim concluded: "*Tools like Copilot for M365 are ushering through an era of transformational change in the workplace. This study demonstrates that finding the balance between augmenting work life without compromising the quality of employee engagement and support networks is crucial for a workplace culture in which generative AI supports the pursuit of professional growth and satisfaction. This will be even more important in the next phase of AI deployment, where we see value being unlocked by companies strategically integrating generative AI into broader transformation initiatives across all functions, fundamentally transforming how the entire enterprise operates.*"

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Notes to editors

The full findings are available by downloading the report**:** https://www.avanade.com/en/insights/**copilot-adoption-for-microsoft365.**

Methodology
The series of structured surveys were conducted from September to November 2023 by Avanade. Respondents consisted of 700 Avanade employees spanning a range of levels and functions within the company, including: legal, finance, HR, marketing, sales and executives. Respondents had varying degrees of pre-existing knowledge about Copilot for M365. At week zero, a survey was used to establish workplace experiences and attitudes prior to the introduction of Copilot for M365. A second survey was carried out seven weeks later to reveal shifts in employee experiences following the adoption of Copilot for M365. The surveys were supported by focus groups, workshops, and observational studies.

About Avanade
Avanade is the leading global provider of digital, cloud, AI and advisory services, industry solutions and design-led experiences across the Microsoft ecosystem.

Together with Accenture, we have been recognized as Microsoft's Global SI Partner of the Year more than any other company. With the most Microsoft Most Valued Professionals, certifications (60,000+) and 18 (out of 18) Gold-level Microsoft competencies, we are uniquely positioned to help businesses grow and solve their toughest challenges.

Avanade is a responsible business committed to building a sustainable world through the power of people and Microsoft. We hold ourselves accountable to environmental, social and

governance targets, ensuring our business is sustainable for the long term. Every day, our 60,000 professionals in 26 countries harness the power of their diverse backgrounds to make a genuine human impact for our clients, their employees and their customers. Learn more at http://www.avanade.com/ and follow us on https://www.linkedin.com/company/avanade/mycompany/verification

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