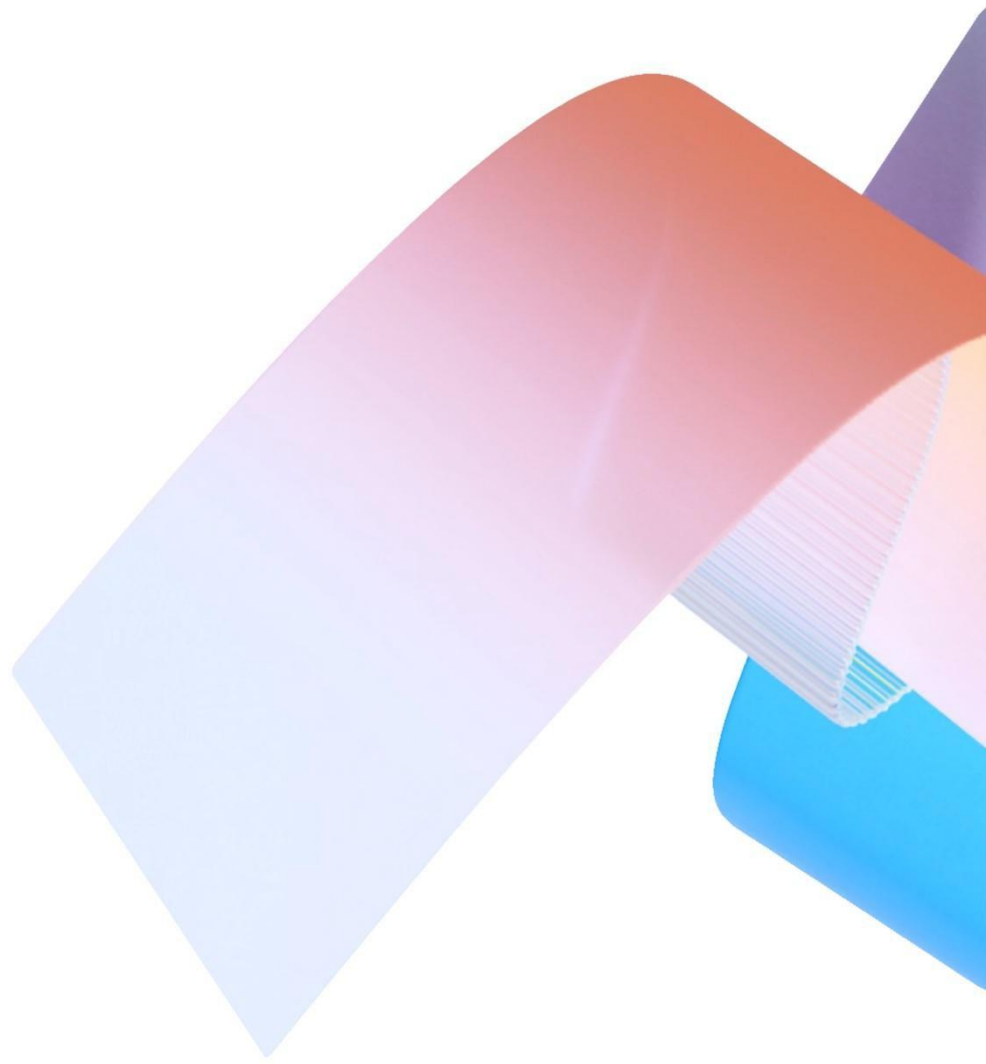




The Microsoft Agent Factory



1 About this playbook

This playbook provides IT leaders, business stakeholders, and builders with an overview of the Microsoft Agent Factory program and empowers organizations to adopt an agentic workforce by leveraging Microsoft's unique strengths.

For a comprehensive guide covering agent frameworks, tools, and best practices for building agents, please refer to [How to Build Agents with Microsoft](#).

Estimated reading time: 12 minutes

2 Building an agentic workforce

The next decade of enterprise software will be shaped by adaptive AI agents—systems that can reason, learn, and act across business processes. Adoption is accelerating: 68% of companies now use generative AI¹ and 62% are experimenting with AI agents.² For business leaders, the question is how to move from experimentation to measurable business outcomes.

Agents promise to extend an organization's capacity beyond human-only cost, speed, and scale. They interpret information, apply judgment, and produce high-quality outputs that previously required significant human effort. Combined with deterministic workflows, they deliver intelligent, predictable business processes: scaling operations without hiring, reasoning over more context, and enabling deep personalization.

Today, organizations are building agents through both bottom-up experimentation and top-down deployment with the hopes of realizing these benefits. The expectation is that agents operate autonomously where appropriate, work in multi-agent teams, deliver against real business outcomes, and submit to the same governance as any enterprise system.

In reality, **scaling agents from experimentation to production requires more than tooling.** It requires a disciplined operating model and sophisticated intelligence about how the organization actually runs.

Microsoft Agent Factory helps organizations close that gap. When you invest in the Agent Factory, Microsoft invests alongside you through dedicated enablement resources, hands-on training across roles, and direct access to full-stack engineering expertise. We're building an operating model with you—a model that matches your builders to the right platforms, activates the powerful intelligence layers you've already invested in, and governs agents like enterprise systems.

As organizations adopt AI at scale, a modern system of work is emerging with connected components that operate together. It begins with an intelligent assistant, such as Microsoft 365 Copilot, that supports people in the flow of work. Alongside the assistant, autonomous and semi-autonomous agents take action on behalf of teams and processes, drawing on an intelligence layer that supplies the contextual grounding they need to operate effectively and responsibly. These capabilities are supported by observability and management capabilities—such as Microsoft Agent 365—that provide governance, security, compliance and operational telemetry as organizations scale their agentic workforce.

¹ IDC InfoBrief sponsored by Microsoft: "What every company can learn from Frontier firms leading the AI revolution," #US53838325, November 2025

² McKinsey survey, "The state of AI in 2025: Agents, innovation, and transformation," 5 November 2025

Our goal: Empower every builder across your organization to achieve meaningful business outcomes with agents. If you already run Microsoft 365, Power BI, or Dynamics 365, the signals needed to create powerful agents are there. Microsoft Agent Factory matches the right platform to the right builder persona and democratizes access for employees at every skill level, through apps that matter and Microsoft 365 Copilot as the UI for AI.

3 Microsoft's Agent Factory: Helping customers realize the ROI of AI

Microsoft Agent Factory is how Microsoft partners with organizations to realize ROI from AI by investing alongside you.

What you get:

- **An operating model, not just tools:** We bring together intelligence layers (Work IQ, Fabric IQ, Foundry IQ), builder platforms (Microsoft Copilot Studio, Microsoft Foundry), and governance capabilities (Microsoft Agent 365) into a unified approach that scales.
- **A unified commercial model:** A single prepaid plan that spans Copilot Studio, Foundry, GitHub Copilot, Microsoft Fabric and nearly all of our supporting AI tools. Democratize innovation across technical and non-technical roles while removing platform and budgeting friction.
- **Enablement resources:** Customers receive dedicated skilling programs and access to Forward Deployed Engineering (FDE) and partners to help you move from pilot to production.

Why now? First, agentic AI is mature enough to act—not just respond. Second, enterprises learned an expensive lesson: agents without business context are just chatbots. Microsoft's position is unique because the context already exists. If you run Microsoft 365, Power BI, or Dynamics 365, you have the signals underpinning Microsoft's intelligence layer already. Microsoft Agent Factory helps you activate them.

4 Microsoft's intelligence layer: context changes everything for Enterprise AI

Agents are only as useful as the context they can access, understand, and act upon. Microsoft's differentiated position comes from an interconnected intelligence layer that provides agents with superior enterprise context:

- **Work IQ** understands how employees work. It draws on signals from Microsoft 365: emails, calendar, documents, Teams chats, and collaboration patterns. When an employee asks an agent "what should I prioritize today?", Work IQ provides the context to answer that question based on their actual work, not generic productivity advice.
- **Fabric IQ** understands how the business operates. It provides a unified, always current view of business data from Power BI, Dataverse, Azure SQL, and other sources in a way which understands your business terms, how your processes work, and steps agents can take to improve operations.
- **Foundry IQ** connects all knowledge across the enterprise. It serves as a fully managed knowledge system that grounds agents in structured and unstructured content from Work IQ, Fabric IQ, enterprise data including via Model Context Protocol (MCP), and even the public web. Rather than building separate connectors for each knowledge source, Foundry IQ provides reusable knowledge bases for retrieval-augmented generation across everything, while respecting user permissions. No complex RAG.

These layers all work together. No other vendor offers this integrated intelligence stack.

Customer Example: Manufacture of Power Equipment

For a large industrial equipment manufacturer, the challenge wasn't data, it was knowing what matters right now across plants, shifts, and systems.

Example: A line operator asks an agent, "What's causing this deviation at station 23, and what should I do? The agent knows the operator and his shift history (from Work IQ), correlated machines and line operation (from Fabric IQ), and the SOP and manuals on the best next action, from Foundry IQ. Armed with this information, the agent provides clear answers about the missed maintenance procedure, and how the operator can resolve the alarm. That's closing the intelligence gap to reduce downtime and accelerate decisions.

5 Activating your organization

The scenarios that follow represent patterns we see across industries. What makes them work isn't a specific technology choice; it's matching the right people to the right problems.

Some organizations solve these challenges by empowering business experts who understand the process but have never written code. Others activate power users who already build solutions in Excel and Power BI. Others invest with their development teams to build platforms that scale. Most successful organizations do all three.

The point is flexibility. Line-of-business users should be empowered to create self-service business process agents using intuitive, IT-approved tools removing barriers caused by IT resource constraints. Developers, meanwhile, should have access to advanced, fully customizable tools that provide the depth of control they require.

Microsoft's agent platform supports the full spectrum so you can activate talent wherever it exists in your organization.

Scenario 1: Employee Self-Service (HR and IT Support)

Management controls are organizational policies and procedures that guide the deployment and oversight of agents in Microsoft 365. They help ensure agents are properly managed throughout their lifecycle, enforce compliance, and maintain operational consistency.

The challenge: Your help desks are overwhelmed with routine questions. Employees can't easily find answers in policies and end up calling IT or HR for everything. Knowledge is scattered across SharePoint, policy documents, and word of mouth.

The opportunity: Deploy an agent that answers routine questions instantly, freeing help desk staff to focus on complex issues that require human judgment. Employees get answers in the flow of work, through Teams or the apps they already use, without navigating multiple systems or waiting in queues. Tickets are created by the agent when the user doesn't find what they need.

Who should act: If your ops team has business process knowledge, they can use Copilot Studio and own the agent end-to-end. If the solution needs to integrate deeply with custom systems, requires strict network isolation, or uses bespoke UX, your developers should lead — still leveraging the same intelligence layers (Foundry IQ for policy grounding, Work IQ for employee context), saving time.

Builder Persona	Approach	Tool
Power User (NON-DEV)	Build a self-service process agent using Copilot Studio that pulls organizational context from Work IQ for business flows and delegation path. Configure connectors to a Foundry IQ knowledgebase with connectors to ServiceNow, Workday and select SharePoint sites. Extend with custom topics, integrate additional data sources, and add approval and ticketing workflows for complex queries. Beyond existing portals, agents can be exposed via Teams and Microsoft 365 Copilot through point-and-click publishing.	M365 Copilot + Copilot Studio
Developer	Build an agent with full control over conversation logic, integrate with systems via existing MCP-servers / APIs, deploy in Foundry for enterprise-grade scaling, plus the same publishing to Teams and Copilot UX layers. Supports all the major agent frameworks, including Microsoft Agent Framework which underpins Copilot Studio.	Foundry + Agent Framework

The IQ advantage: Simplifies access to the employee’s specific work context who is making the request (highly helpful for most internal flows), streamlines grounding to critical enterprise sources (while improving retrieval quality), and even executes MCP calls to internal sources when necessary to complete a request.

Customer example: A global energy company deployed Employee Self-Service using Copilot Studio and an organizational skilling program provided through the Microsoft Agent Factory. The agent integrates with ServiceNow for ticket creation and is grounded in policy documents through Foundry IQ. Employees interact through Teams. The solution was built and is maintained by their IT operations team, not a dedicated development group—demonstrating that high-impact agents don't require developer resources when the right tools are matched to the right people.

Buying pattern fit: Microsoft 365 E3/E5 customers with ServiceNow or Workday. Moderate to high help desk costs, or poor employee satisfaction.

Scenario 2: Data and analytics agents

The challenge: Dashboards exist everywhere, but employees still ask analysts to pull numbers. People know data exists but struggle to find the right report or interpret what they see. Analysts spend time answering ad-hoc questions instead of doing strategic analysis.

The opportunity: Let employees ask questions in natural language and get answers grounded in your actual business data. "What were Q3 sales by region?" returns an answer grounded in your data, and complex queries can be asked, answered, and included in executive reports. Analysts reclaim time for high-value work while the organization gets faster access to insights.

Who should act: Analysts/data-engineers are often the best builders for this scenario. They understand the data, the questions people ask, and what the answers mean. They can create agents that combine data queries with actions: generating reports, sending alerts, updating stakeholders—without waiting for IT. Development teams' step in to extend solutions into custom apps, or connect to non-standard data sources.

This is often the best scenario for activating business analysts as agent builders. They understand the data, the questions, and the business context. Copilot Studio gives them the tools to build without waiting for IT. Developers step in when the solution needs to scale across the enterprise or integrate with non-Microsoft data sources.

Builder Persona	Approach	Tool
Business User	Use Copilot's native Power BI integration to ask natural language questions over existing datasets. No building required.	M365 Copilot + Fabric IQ
Data Engineer	Build Fabric Data Agents that expose curated datasets for natural language queries. Define the semantic layer—business terms, relationships, and metrics—that makes agent answers accurate. Configure scheduled reports, threshold-based alerts, and data quality checks that run autonomously.	Fabric Data Agent + Fabric IQ
Developer	Create sophisticated analytics agents that extend the work of the data engineer, expose APIs for embedding in AI applications, and more sophisticated customer facing agents (vs internal only use).	Above + Foundry + Agent Framework

Customer example: A large banking customer with mature Power BI deployments are using this pattern to unlock their existing data investment after leveraging a training program for their US teams. The breakthrough moment: showing business leaders that they can ask questions about their own divisional data and get accurate, grounded answers. When employees see an agent correctly report last quarter's KPIs directly into research documents, skepticism turns to adoption.

Buying pattern fit: Moderate to heavy Power BI usage enables immediate data grounding. If there is analytics team demand pressure, this helps scales analyst capacity.

Scenario 3: Sales lead engagement

The challenge: Your sellers spend hours researching prospects before outreach, or worse, they skip the research and send generic messages that get ignored. The information they need exists in your CRM, in news feeds, in relationship data across the organization but assembling it for each prospect is manual and slow. Meanwhile, competitors who personalize effectively are winning the first conversation.

The opportunity: Deploy agents that research prospects, identify warm paths through existing relationships, and draft personalized outreach grounded in real context. Before a seller ever reaches out, the agent has assembled a briefing: company news, relevant triggers, mutual connections, and talking points tailored to that prospect's situation. Sellers engage with confidence. Response rates climb. Time spent on research drops dramatically.

Who should act: Sales operations and marketing ops teams understand your ideal customer profile, messaging frameworks, and CRM structures—they're well-positioned to configure and tune these agents. Developers lead when you need to integrate proprietary data sources, build custom scoring models, or connect to marketing automation platforms beyond standard connectors.

Builder Persona	Approach	Tool
Power User	Build prospecting agents in Copilot Studio that pull relationship signals from Work IQ (who in our org has met with this account?), match against ideal customer profiles in Fabric, and enrich with company (and web) research via Foundry IQ. Configure workflows that deliver prospect briefings to sellers in Teams or Dynamics 365.	Copilot Studio + Dynamics 365

Developer

Build agents that integrate with marketing automation platforms, apply custom lead scoring models, and orchestrate multi-step research workflows across proprietary and public data sources. Deploy via Foundry for scale and custom integration requirements.

Foundry + Agent Framework

Customer example: A B2B technology company deployed a lead enrichment agent that runs nightly against new inbound leads. The agent identifies existing relationships via Work IQ (flagging when a colleague has met with someone at the prospect company), scores fit with our product using Fabric and pulls recent news and triggers via Foundry IQ. Sellers received a prioritized list each morning with context summaries and suggested talking points (all saved in CRM). Response rates on outbound increased double-digits, and sellers report spending far less time on pre-call research.

Buying pattern fit: Dynamics 365 Sales or Salesforce, B2B sales motion, outbound or ABM strategy.

Scenario 4: Customer support and product feedback

The challenge: Your support team handles customer inquiries around the clock, but the real value isn't just resolving tickets, it's closing the loop. Feature requests and bug reports come through support channels, get logged somewhere, and then... stall. Engineering teams don't have visibility into what customers are actually asking for. Customers don't see their feedback reflected in the product. The gap between "customer said something" and "engineering acted on it" is where trust erodes.

The opportunity: Deploy agents that handle frontline support grounded in your product knowledge, account data, and resolution history. When a customer reports an issue or requests a feature, the agent triages, enriches with context, and creates a GitHub issue automatically. On the engineering side, coding agents pick up those issues, draft implementation plans, and even propose code changes, accelerating the path from customer voice to product improvement. The loop closes visibly: customers see their feedback drive real outcomes.

Who should act: Power users own the conversational experience and triage logic for most customer service interactions: they understand customer language and support workflows. Developers own the product backlog, GitHub integration, coding agent configuration, and the automation that turns issues into actionable plans. Both personas leverage the same IQ layers: Foundry IQ for product documentation and known issues, Fabric IQ for customer account data and usage patterns, Work IQ for routing escalations to the right engineers.

Builder Persona	Approach	Tool
Power User	Build support agents in Copilot Studio grounded in product docs via Foundry IQ. Configure triage workflows that enrich issues with customer context from Fabric IQ and create GitHub issues for engineering follow-up.	Copilot Studio + Power Platform + GitHub Connector
Developer	Build agents that monitor GitHub issues, draft implementation plans, propose code changes, and route to human reviewers. Integrate coding agents (GitHub Copilot, Foundry-hosted agents) into CI/CD workflows. Use Work IQ to match issues to the right team based on expertise and availability.	Foundry + Agent Framework + GitHub Copilot

Customer example: A SaaS platform company deployed a support agent that handles product questions and bug reports with the help of a Microsoft expert. When a customer reports unexpected behavior, the agent checks known issues in Foundry IQ, verifies the customer's configuration database in Fabric IQ, and either resolves immediately or creates a GitHub issue with full context. On the engineering side, a coding agent reviews incoming issues nightly, drafts investigation plans for bugs, and proposes implementation approaches for feature requests; ready for engineer review each morning. Time from customer report to engineering action dropped from weeks to days.

Buying pattern fit: SaaS or product company, GitHub customer, support volume that justifies automation.

6 Summary and next steps

AI agents are shifting from answering questions to taking action across core business processes. Organizations that achieve real ROI will manage agents like enterprise software anchored in trusted context, embedded in daily workflows, and governed with identity, permissions, auditability, and measurable outcomes. Microsoft Agent Factory brings this end-to-end approach together, enabling every builder—from non-technical makers to professional developers—to build agents across Microsoft Foundry and Copilot Studio, powered by Work IQ, Fabric IQ, and Foundry IQ. The path to an agentic workforce execution is a flexible strategy; start with a single high-impact scenario—employee self-service, sales lead engagement, or analytics access—and use it to establish an operating model. Tap into the Microsoft Agent Factory for the tools, the intelligence layers, and the expertise to train your workforce.

Recommended next steps:

- **For IT leaders:** Assess your organization for use cases which may be high-impact, and which persona's are present in your organization to execute agentic transformation. Also, assess any existing Microsoft 365 licensing and Fabric footprint to identify where automation already exists and can benefit from additional intelligence.
- **For business leaders:** Identify one process where agent-assisted automation would deliver measurable ROI in 90 days.
- **For developers:** Explore Microsoft Foundry and the Agent Framework to understand pro-code options.

Then, your Microsoft account team can help identify the right starting point and **connect you with Microsoft Agent Factory resources.**

7 Additional resources

To deepen your understanding and accelerate the journey in building enterprise AI agents with Microsoft's ecosystem, explore the following resources:

- [Microsoft Agent Factory](#): Learn more about how Microsoft partners with customers to deliver results with AI.
- [How to Build Agents with Microsoft](#): Review this practical framework and guide to building and managing agents, with information on design, tools, and best practices.
- [Microsoft AI use cases](#): Explore real-world use cases to help you accelerate your business goals in the AI era.
- [Microsoft Copilot Studio](#): Explore the software-as-a-service platform for building custom conversational and autonomous agents.
- [Microsoft Foundry Agent Service](#): Explore the platform-as-a-service for agents that provides full control over architecture and orchestration.
- [Microsoft Agent 365](#): Learn more about the centralized control plane for managing agent identity, security, compliance, and telemetry.
- [Responsible AI Principles](#): Discover best practices and guidelines to support ethical and trustworthy AI agent development.
- [AI Agents Hub – Microsoft Adoption](#): Explore the tools available in creating agents and how to get started.
- [Microsoft Cloud Adoption Framework](#): Build a business plan for agents aligned to your company priorities.