Microsoft

Frontier Finance

Pushing the boundaries of possibility in Finance

Amy Hood
Executive Vice President and Chief Financial Officer

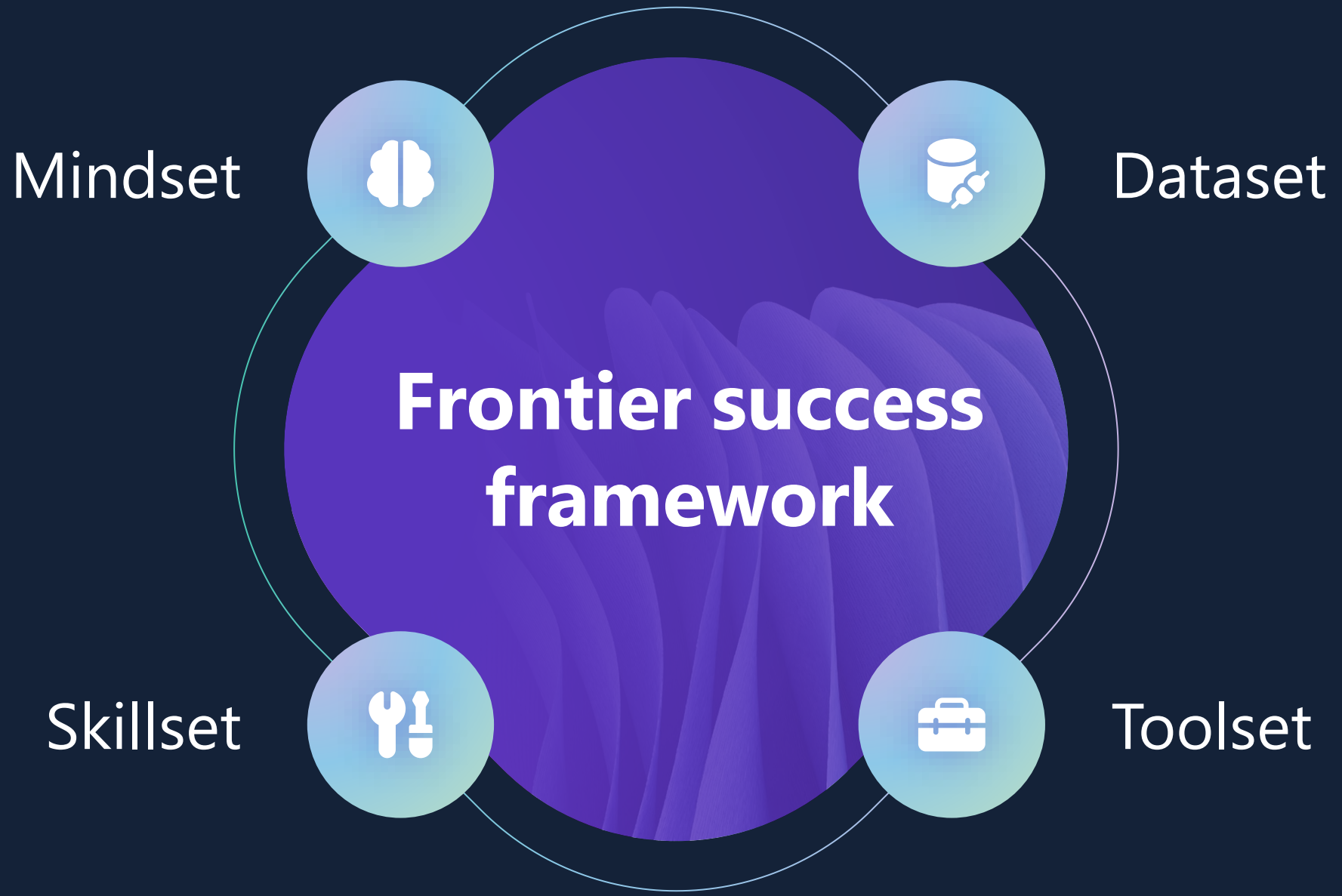
Frontier Finance

Our journey in Microsoft Finance

Building a Frontier Finance organization pushes the boundaries of what's possible. We are leveraging advanced technology to enable finance to lead with integrity, deliver results with precision, and operate at scale with exceptional efficiency.

— Amy Hood, EVP and Chief Financial Officer, Microsoft

Microsoft


Mindset
Dataset
Frontier success framework
Skillset
Toolset

Microsoft

Factors enabling Microsoft Finance to become *Frontier*



Mindset

Learn-it-all
vs know-it-all

Bias toward
experimentation
+ iteration

Agent boss

Mindset

From maintaining status quo to driving change

Learn-it-all vs know-it-all

> “Achieving our mission requires us to evolve our culture, and it all starts with a growth mindset—a passion to learn and bring our best every day to make a bigger difference in the world.”

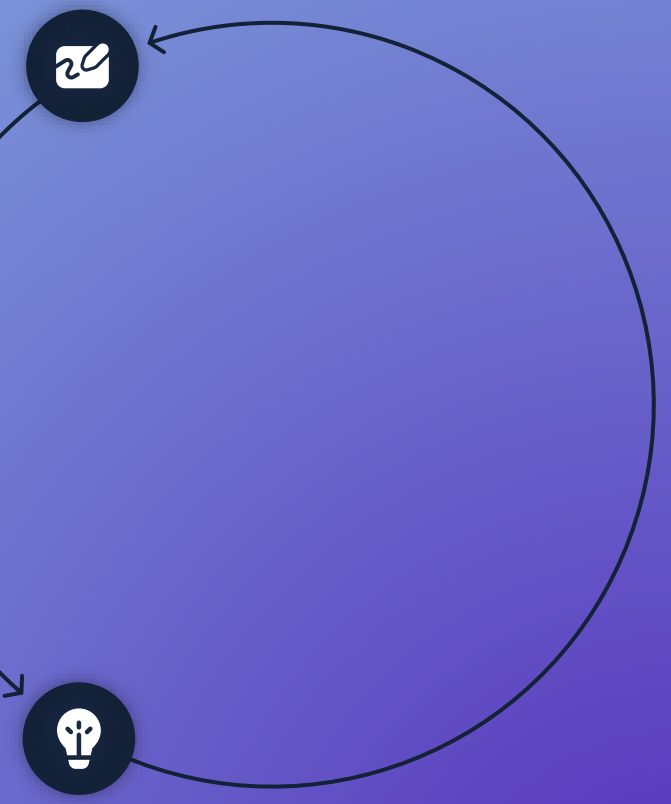
SATYA NADELLA
CEO, Microsoft

Microsoft

Mindset

From maintaining status quo to driving change

Bias toward experimentation + iteration



Microsoft

Mindset

From maintaining status quo to driving change

Agent boss

Human with assistant



Human-led agents



Human-led, agent-operated



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Factors enabling Microsoft Finance to become *Frontier*

Skillset

- Digital & AI fluency (Copilot, Agents, prompting)
- Process & systems thinking
- Judgment, context & influence

Mindset

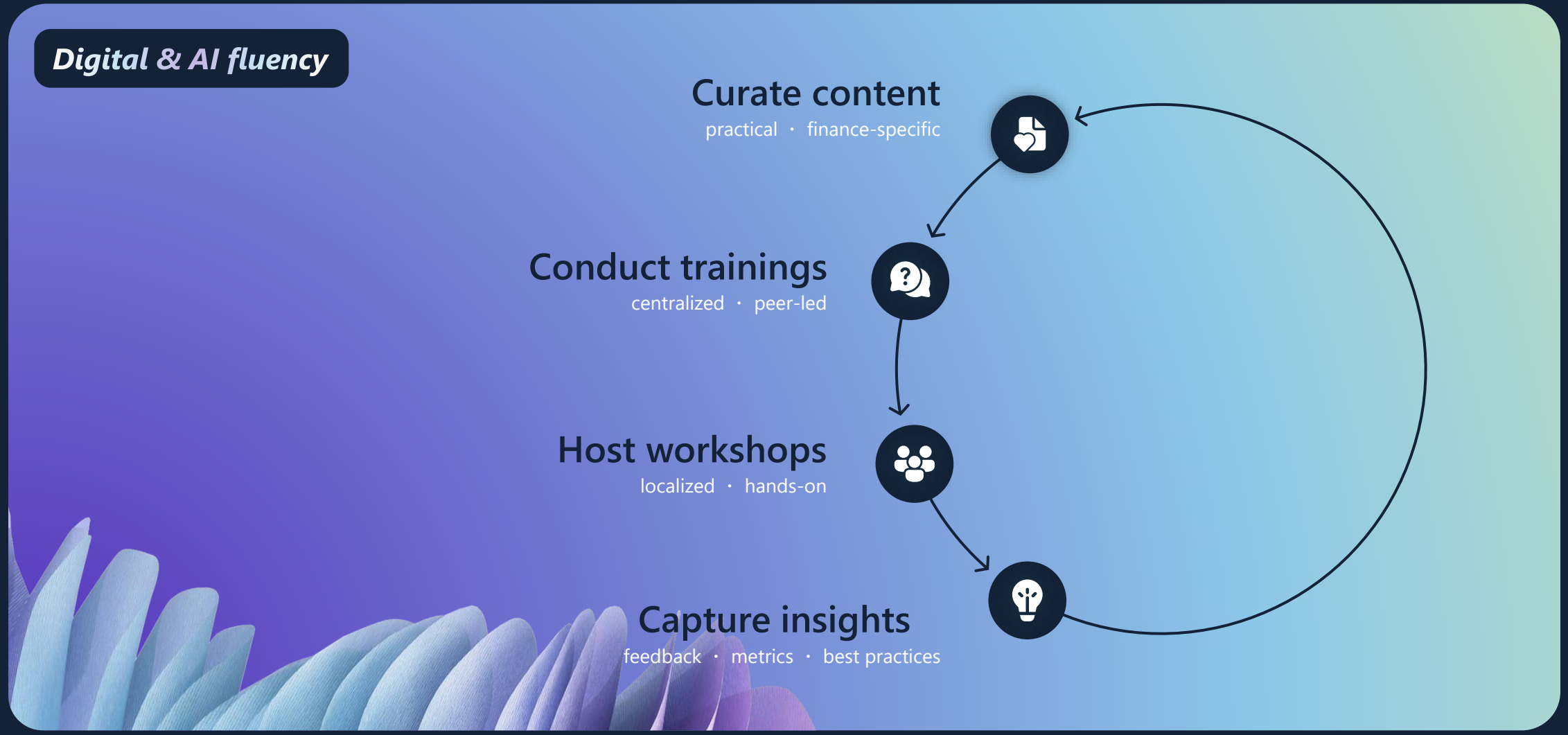
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- Agent boss

Microsoft

Skillset

From static expertise to continuous capability building

Digital & AI fluency

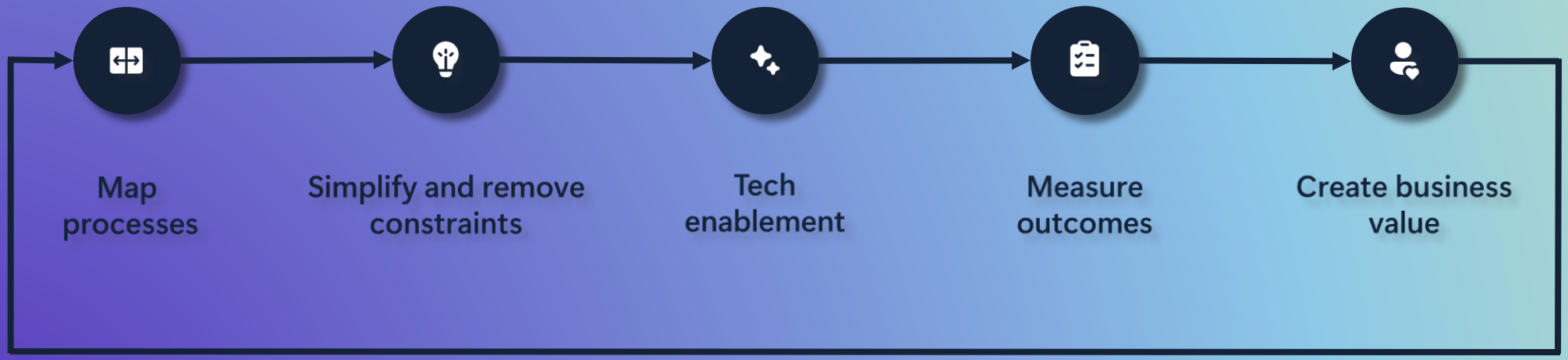


Microsoft

Skillset

From static expertise to continuous capability building

Process & systems thinking



Microsoft

Skillset

From static expertise to continuous capability building

Judgement, context & influence

Critical thinking
Deciding what matters and what's right
Weighing trade-offs, risk, and ambiguity

Business intuition
Understanding nuance: org dynamics, strategy, timing
Knowing when something doesn't look right

Strategic partnership
Driving alignment across stakeholders
Being a trusted advisor

Learning & adaptation
Building intuition through experience
Reflecting, adjusting, improving

Problem framing
Asking the right questions
Defining the problem before solving it

Creating clarity
Translating insight into action
Shaping the narrative

Microsoft

Factors enabling Microsoft Finance to become *Frontier*

Toolset

- M365 + Azure + D365
- AI skill & agent library
- Agentic platforms + orchestration

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Factors enabling Microsoft Finance to become *Frontier*

Dataset

- Clean, common general ledger
- Democratized insights layer
- Strong data governance & controls

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Disciplined core. → Flexible edge.

Core

Central control

Discipline keeps us grounded and governed.

- Unified data
- Consistent taxonomies and security
- Standard analytic framework & governance
- Agentic platforms

Edge

Individual productivity

Flexibility gives us agility and speed.

- Copilot
- Agents

Dataset + Toolset

Mindset + Skillset

Microsoft

Key AI framework for Finance workflows

1 Centralized datasets

- Microsoft 365
- Dynamics 365
- Fabric
- SAP

Microsoft IQ

2 Standardized toolsets

- Copilot Studio
- Microsoft Foundry
- Function Apps
- App Services

3 Individual innovation

- M365 Copilot
  - Cowork
  - Excel
  - Finance
  - Analyst
  - Agent builder
  - SharePoint
- Microsoft Scout
- GitHub Copilot

Disciplined core → Flexible edge

Microsoft

Culture

- Bring a growth mindset to improve performance.
- Build and grow high-performing teams who continuously raise the bar.
- Take accountability.
- Expect leaders and managers to coach actively and model the culture we want to scale.
- Challenge the status quo by thinking differently, moving with pace, innovating boldly, and eliminating low-impact work.
- Empower every employee to learn in the flow of work using AI tools to increase productivity.
- Create context and seek clarity so everyone can work with pace and direction.

Security

- Compliance, security, and operational excellence remain at the top of our priorities.
- Earn and maintain a trusted advisor role thru transparency, actively listening, and creating clarity.
- Ensure bad news travel fast so we can work together to address issues quickly. Good news should travel fast too!

Quality

- Provide insights thru your reporting and forecasting using data that is accurate, consistent, complete, repeatable, and sourceable.
- Drive your work toward clear, defined, metric-based outcomes.
- Focus on understanding the drivers of high-quality work and relentlessly pursue them – cutting low impact work, simplifying processes, and reducing handoffs for example.

AI transformation

- Focus on product adoption. Success is measured by usage, outcomes, and value delivered to our customers including those within our organization. This applies to internal tools we launch and support as well as product teams.
- Define success of "AI products and platforms." Gaining market share, customer retention, and best cost structure are all good examples.
- Move as quickly as others in our industry regardless of size. Be curious and inspired by the simplicity of how those outside of Microsoft may work in this AI era. Seek to understand how they do it and push for change here.

Diving deeper into the DISCIPLINED CORE

1 Centralized datasets

- Microsoft 365
- Dynamics 365
- Fabric
- SAP

2 Standardized toolsets

- Copilot Studio
- Microsoft Foundry
- Function Apps
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3 Individual innovation

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Disciplined core → Flexible edge

Microsoft

Document management

Document AI workflow engine

Processes PDFs, contracts, invoices, and spreadsheets

Frontier Finance hub

Shared innovation resources

Enables Finance team to use shared agents, skills, standards, and repos



Finance insights

Period-end automation

Automates manual, inconsistent financial reporting processes to deliver faster, standardized, executive-ready insights at scale

Revenue planning

Planning intelligence platform

Supports modeling, inputs, forecasting, and predictive planning

Microsoft

Recent AI-enabled solutions across Microsoft Finance

Hundreds of AI-enabled solutions. One operating model where growth drives efficiency, speed, and insight — not cost.

Credit & Cash Collection

Money at scale, with less friction.

- Invoice Generation Automation
- Collections Email Agent
- Integrated Collection Solution
- Credit Risk Agent
- Treasury Intelligence Agent

Sourcing

Time-to-contract and bid quality, both up.

- Self-Sourcing Agent
- Supplier Q&A Solution
- Intelligent Quote Agent
- Procurement Analytics Agent
- Sustainability Value Chain Solution

Financial Planning & Analysis

Faster numbers-to-narrative cycles.

- Financial Insights Platform
- Close Commentary Agent
- Revenue Planning Platform
- GitHub Copilot Forecasting Model
- Finance in M365 Copilot

Sales Enablement

Customers and strategy, not busywork.

- Terms and Conditions AI Agent
- Investment & Statement of Work Agents
- Customer Opportunity Agent
- Contract Intelligence Agent
- Sales Enablement Assistant

Accounting & Finance Operations

Stronger controls, faster reporting.

- Automated Journal Entry Posting Agent
- Procedure Orchestration Platform
- Enterprise Risk & Mitigation System
- Contract Analysis Tool

Internal Audit

Right-sized risk insight, less operational drag.

- Sample Selection Agent
- SOX Change Management Testing Agent
- Audit Automation Tool
- Investigations Briefing Tool
- Compliance Readiness Agent
- Risk Signal Agent

See details at **aka.ms/MicrosoftFrontierFinance, Resources**

Unlocking the FLEXIBLE EDGE

1 Centralized datasets

- Microsoft 365
- Dynamics 365
- Fabric
- SAP

2 Standardized toolsets

- Copilot Studio
- Microsoft Foundry
- Function Apps
- App Services

3 Individual innovation

- M365 Copilot
  - Cowork
  - Excel
  - Finance
  - Analyst
  - Agent builder
  - SharePoint
- Microsoft Scout
- GitHub Copilot

Disciplined core → Flexible edge

Microsoft

Edge Tools

Flexibility gives us agility and speed.

Microsoft tools for individual productivity

Microsoft

Copilot vs Cowork vs Scout

	M365 Copilot	Copilot Cowork	Microsoft Scout
Role	Assistant	Executor	Autonomous agent
Use case	Draft, summarize, analyze	Delegate multi-step work	Automate + proactively manage work
How it works	Responds to prompts	Executes workflows across M365	Acts within M365, your files, and across the web
Autonomy	Low	Medium–High	Very high (runs independently)
Trigger	Per prompt	Delegated outcome	Continuous / scheduled / proactive
Best for	"Help me *think*"	"Help me *do*"	"*Work for me* proactively"

Edge Solutions

Leveraging edge tools for finance use-cases

Developed by Microsoft Finance teams

Microsoft

Edge Solutions

Created by Microsoft Finance teams

	GitHub Copilot Forecasting Model	SOX Change Management Testing Agent	Terms and Conditions AI Agent
Overview	Scalable ML workflow to accelerate forecast model iteration	Automated, audit-ready SOX testing with AI-driven evidence validation	Centralized AI guidance for scalable contract decision-making
Use-case	Revenue forecasting is complicated with multiple stakeholders and data sources that cause iteration and churn	Manual reviews and validations create inconsistencies and limit scalability	Fragmented contract knowledge drives manual search and rework
Benefit	• 98% accuracy across 15+ products • Cuts runtime from hours to minutes	• Reduces testing time while improving accuracy, consistency, and audit quality • Enables auditors to focus on higher-risk, judgment-based work	• Reduces analysis time and standardizes responses across scenarios • Improves speed and confidence in negotiations
Impact	**160 hours** annual time savings	**850 hours** annual time savings	**1K+ hours** annual time savings
Tech used	GitHub Copilot Python	Agent Builder in M365 M365 Copilot	Office O365 Agent Builder in M365 Azure Analytics
Time to launch	1 month	1-3 months	1-3 months

Microsoft

Recap: Day in the Life of a Financial Analyst

Using Edge Tools

8:00 am — Scout

You open your laptop expecting a flood of emails, but Scout has already surfaced your top priorities, risks, and upcoming deliverables. Instead of digging through your inbox, you start the day aligned on what actually matters.

Summarize my inbox, top priorities, risks, and blockers every day at 7:30 AM.

9:30 am — Excel Copilot

You review your revenue and cost data, sensing something is off but not immediately seeing the cause. Excel Copilot quickly highlights anomalies, surfacing margin pressure and unexpected cost trends.

Analyze this dataset and highlight key trends, anomalies, and cost drivers by product and region.

10:00 am — GitHub Copilot

A last-minute request requires combining data from multiple systems, which would normally take hours of manual cleanup. GitHub Copilot generates a script to pull, clean, and standardize the data into a usable format.

Build a script to pull financial data from multiple sources, clean it, and create a standardized dataset.

11:00 am — Scout

While you focus on refining your analysis, Scout monitors your workflows in the background and takes action. It follows up on missing inputs, schedules meetings, and flags risks without you needing to intervene. Conducted a wholistic analysis and answered your manager's question!

(No prompt needed — always-on behavior)

2:00 pm — Cowork

In your leadership review, you're asked what happens if trends continue into next quarter. Cowork models multiple scenarios in real time and creates a deck that summarizes the findings, helping you provide a confident recommendation on the spot.

Analyze three scenarios, compare their implications, and recommend the best course of action in an informative deck.

4:00 pm — M365 Copilot

After the meeting, you need to send a clear summary of decisions and next steps. Copilot drafts a polished executive summary so you can quickly communicate outcomes and move forward.

Draft an executive summary with key insights, risks, and recommended actions from today's analysis.

Rachel

is a Financial Analyst at Microsoft



Microsoft

What we've learned

Mindset

Maintaining the status quo →

Driving change

- Growth mindset that embraces experimentation and risk-taking
- Individuals act as change agents, not task executors
- Willingness to challenge legacy ways of working
- Fuels early adopters who pull technology into their work

Skillset

Static expertise →

Continuous capability building

- Build Digital & AI fluency (Copilot, agents, prompting)
- Strengthen data literacy and insights
- Shift to workflow design and process reengineering
- Lead with judgement, context, and influence

Toolset

Standalone tools →

AI embedded in workflows

- Standardize on a core enterprise stack
- Build reusable agents and solution patterns
- Embed AI directly into daily finance workflows
- Integrate Copilot, agents, and data platforms

Dataset

Standalone tools →

Trusted, unified foundation

- Establish a clean, common data model
- Standardize definitions, metrics, and taxonomies
- Centralize on a single governed data platform
- Enable real-time, decision-ready data access

Microsoft