

Microsoft 365 Copilot for business

The Copilot Setup Checklist

For the admin who just bought Microsoft 365 Copilot and wants it working for the whole team. By Tim Cakir, AI Operator. Checked 2026-09-26. Microsoft changes these screens often, so each step names its Microsoft Learn source. Check each step against its source when you set it up.

You bought Copilot. You open it, and half of what you saw in the demos isn't there. That's normal. Three switches decide what people see. Two billing settings decide who gets Cowork and Copilot Studio, and most guides skip those. Here it all is, in order.

One naming note: Microsoft is renaming Microsoft 365 Copilot to Microsoft Copilot, and Microsoft 365 Copilot Chat to Microsoft Copilot Chat. Some screens already use the new names, so don't worry if yours don't match a video word for word.

Source: Microsoft Learn, "Data, Privacy, and Security for Microsoft Copilot", updated 2026-08-18.

1 Check your licence and hand it out

- ☐ Open **admin.microsoft.com** → **Billing** → **Your products**. You'll see Microsoft 365 Copilot, either the Business plan or the Enterprise add-on. Both work with everything below.
- ☐ Go to **Billing** → **Licenses** → **Microsoft Copilot** and check your own admin account has a licence. Some settings stay hidden if it doesn't, so do this first.
- ☐ On the same page, click **Assign licenses** and add the people who'll use Copilot. People without a licence won't see Frontier features, so start with a pilot group if you're not sure.

Source: Microsoft Learn, "Get started with the Microsoft Copilot Frontier Program", updated 2026-09-16.

2 Before everyone gets it: check who can see what

Copilot only shows people company data they can already open. So if a SharePoint site or a Team is shared too widely, Copilot will bring it up in answers. Your prompts, the answers and your company data aren't used to train the models behind Copilot.

- ☐ List your most-shared SharePoint sites and Teams, and tighten any that the whole company can open without a reason.
- ☐ Check the files people would least want to see in an answer: pay, contracts, board papers. Move them or lock them down.
- ☐ Use SharePoint Advanced Management to review site sharing. It's included with the Microsoft 365 Copilot licence.

Sources: Microsoft Learn, "Data, Privacy, and Security for Microsoft Copilot", updated 2026-08-18. Microsoft Learn, "Standard harness licensing" (Copilot Studio), updated 2026-08-03, which lists SharePoint Advanced Management in the licence.

3 Turn on Frontier (early access)

Frontier gives your team new Copilot features before general release. It's free to join if you have a Copilot licence. You need to be an AI Admin, Security Admin or Office Apps Admin.

- ☐ Go to **admin.microsoft.com** → **Copilot** → **Settings** → **View all**, search "Frontier" and open **Copilot Frontier**.
- ☐ Pick **All users**, or **Specific users** for a pilot group. The default is No access.
- ☐ Wait up to 3 hours before the new features show up.

Preview features change and can be withdrawn. They also aren't covered by a HIPAA BAA, so keep regulated data out of them.

Source: Microsoft Learn, "Get started with the Microsoft Copilot Frontier Program", updated 2026-09-16.

4 Allow Microsoft's agents

- ☐ Go to **Agents** → **Settings** → **Allowed agent types** and make sure **Allow apps and agents built by Microsoft** is ticked.

This covers every agent Microsoft builds, including the early-access ones. Those show up in the Agent Store with "(Frontier)" in the name, and they can take up to 3 hours to appear.

Source: Microsoft Learn, "Get started with the Microsoft Copilot Frontier Program", updated 2026-09-16.

5 Choose your AI models

- ☐ Go to **Copilot** → **Settings** → **View all** → **AI providers operating as Microsoft subprocessors**. A Global admin approves each provider here, for example Anthropic (the Claude models) and OpenAI.

For tenants in the EU, EFTA or UK, Anthropic starts switched off. Elsewhere it's often on by default, so check it. This setting only decides which models people see. It doesn't give or take away Cowork.

Source: Microsoft Learn, "Manage Copilot Cowork for your organization", updated 2026-09-23.

6 Give people Cowork (the step most guides miss)

Cowork is the part of Copilot that does longer jobs across your files and apps. Frontier doesn't switch it on, and neither does the Agents list any more. A person gets Cowork only when they're inside a **spending policy** that includes it.

- ☐ Go to **admin.microsoft.com** → **Copilot** → **Cost Management** → **Get started**. The first time, pick how to pay: pay-as-you-go through an Azure subscription, or a credit pack.
- ☐ Open **Configuration** → **+ Add spending policy**, choose the users or a group, tick **Cowork** under **Select agents and services**, set a monthly limit and create it.
- ☐ Treat the limit as a budget. Anyone in the policy gets Cowork, even with a tiny limit, so the policy is how you decide who has it.

Cowork runs on Copilot Credits, at \$0.01 per credit on pay-as-you-go. So a 2,500-credit monthly limit is \$25.

Sources: Microsoft Learn, "Manage Copilot Cowork for your organization", updated 2026-09-23. Microsoft Copilot Credits Guide, September 2026, p. 5.

7 Set up Copilot Studio billing (if you'll build agents)

Copilot Studio is where you build your own agents. Its billing is set up separately from Cowork's.

- ☐ Open the Power Platform admin center (**admin.powerplatform.microsoft.com**) → **Billing policies**, create a policy linked to your Azure subscription, and attach the environment you'll build in.
- ☐ Set a limit before your first practice build. Studio uses Copilot Credits while you build and test, too.

Source: Microsoft Learn, "Standard harness licensing" (Copilot Studio), updated 2026-08-03.

8 Decide who can use the agents you build

- ☐ **People with a Microsoft 365 Copilot licence:** an agent that answers from your company files in Copilot Chat, Teams or SharePoint is included in their licence.
- ☐ **People without a licence:** they can use those agents only if you turn on Copilot Credits for them, through pay-as-you-go or a credit pack.

Source: Microsoft Learn, "Standard harness licensing" (Copilot Studio), updated 2026-08-03.

9 Still can't see Cowork? Check these six

- ☐ **1 Licence.** The person has a Microsoft 365 Copilot licence assigned.
- ☐ **2 Spending policy.** They're inside a policy that ticks Cowork. This is the most common miss, so start here.
- ☐ **3 Request access.** If Cowork is visible but nobody set up billing, people see a "request access" page. The admin approves the request in the admin center.
- ☐ **4 Agent types.** Allow apps and agents built by Microsoft is ticked.
- ☐ **5 Time.** Frontier features can take up to 3 hours. Some admins report Cowork taking up to a day after a change.
- ☐ **6 Region.** In the EU, EFTA or UK, the Anthropic models start off. That changes which models show, though, and it doesn't stop Cowork opening.

Source: Microsoft Learn, "Manage Copilot Cowork for your organization", updated 2026-09-23. Microsoft doesn't state the one-day wait. It comes from admin reports.

10 Five prompts to try in your first hour

Point each one at a real file with / so Copilot works from that file and nothing else.

- ☐ **/last month's board report** Summarise the three decisions it asks for, and who owns each.
- ☐ **/a supplier contract** List the renewal date, the notice period and anything that auto-renews.
- ☐ **/a spreadsheet of sales or costs** Show the three biggest changes against last month, with the numbers.
- ☐ **/the notes from your last team meeting** Draft the follow-up email with every action and its owner.
- ☐ **/a long proposal or report** Turn it into a one-page brief for someone who has five minutes.

Check every answer against the file before you send anything. Copilot gets faster with you, and your judgment stays in charge.

11 Rolling it out to your team

Switching Copilot on takes an afternoon. Getting 50 people to use it every week is the hard part, because that's a habit problem, and more settings won't fix it. That's what The ADOPT Method™ is for: **Align**, **Develop**, **Operationalize**, **Practice**, **Transform**. It's how we've trained teams at Google and at a 450-person SaaS company.

If you want a plan for your own company, the free AI Audit maps where Copilot pays back first:

aioperator.com/ai-audit