

The business value of AI

How Microsoft is reinventing its legal department with Microsoft Copilot

Microsoft Corporate, External, and Legal Affairs (CELA) is harnessing AI to transform how they work

Microsoft's Corporate, External, and Legal Affairs (CELA) organization is a community of global legal and business professionals committed to addressing the intersection of technology, business, law, regulations, and public opinion. They pioneer innovative solutions that advance the business, earn the public's trust, and build the company's enduring value.

Like many legal organizations, CELA navigates an increasingly dynamic and complex legal, regulatory, and compliance landscape. The workload is growing not just in volume, but in speed and complexity. CELA has been on a multi-year digital transformation journey to tackle this and other challenges, but much of the technology infrastructure and data has remained siloed. Navigating a legal technology ecosystem with various domain-specific applications requires consolidation and aggregation of data from those systems.

AI and Microsoft Copilot, coupled with data infrastructure investments, are helping the CELA team to transform vast amounts of data into actionable insights, achieve scale, and drive forward with increased agility while reducing time requirements on everyday tasks.

Approach

CELA is harnessing the power of Copilot and AI to enhance the efficiency, quality, impact, and scale of their work. In its first phase, the team aims to deliver broad impact across CELA by prioritizing use cases that leverage Copilot and AI to:

Create efficiencies for regulatory work—Quickly summarize regulations, streamline analysis, stay informed on industry news, draft guidance, and provide actionable insights; empowering legal professionals to stay ahead of the curve.

Enhance advisory services—Quickly find relevant information across sources to facilitate rapid decision making and draft guidance to verify key advisory points are clear and relevant.

Strengthen compliance and risk management—Analyze large data sets, help proactively spot possible compliance issues, help respond to requests for information, and enable agile and efficient action.

Improve client interactions—Redirect high volume, low risk inquiries to client self-service tools to deliver faster responses.

Simplify transactions—Condense intricate agreements, pinpoint essential clauses, flag potential risks, compare contracts, compile insights, draft clauses, and research legal structures for increased velocity and better decision-making.



Adoption of AI is not a luxury for legal departments; it's a necessity. It can never replace human judgment, but it can help us do our work better and faster."

Hossein Nowbar
Chief Legal Officer
& Corporate Vice President

Microsoft CELA at a glance

~2000 employees

54 countries & 24+ time zones

25+ practice groups

Objectives

Streamline transactional processes by increasing efficiency, understanding, and consistency with AI

Enhance advisory services by leveraging AI to enhance the processes, efficiency, quality, and scalability of the counsel we provide

Strengthen compliance and risk management in a dynamically changing and complex regulatory, compliance, and public policy landscape using AI at scale

Adoption and Onboarding

CELA implemented a multifaceted approach to model, recognize, and incentivize innovation and experimentation, paving the way for sustained usage and smooth integration of Copilot and AI into their practices. Copilot adoption efforts included:

Empowered AI for CELA Catalysts—

More than 40 individuals across practice groups help drive Copilot adoption, engagement and transformation activities; guided by a communications plan that positions Copilot not just as a tool, but as integral to how CELA operates.

Scenario and prompt libraries—

Specialized libraries provide a place for team members to exchange best practices and favorite Copilot prompts, helping everyone to improve daily work.

Copilot Skilling Series—Expert- and peer-led training included a two-month Copilot Skilling Series that boosted Copilot usage in Microsoft 365 Chat and Teams by more than 50%, with an average 30% increase across other Microsoft products.

Copilot Hubs—A dedicated Copilot SharePoint site and Copilot Hub in Teams enable CELA team members to share, discuss, and access the latest information, resources, and updates related to Copilot, fostering knowledge exchange. A video library includes "snackable" training and features spotlighting how CELA employees use Copilot and its impact on their work.

Impact

In an experiment to assess the potential value of Copilot, Microsoft's Office of the Chief Economist assigned realistic legal tasks to over 50 CELA legal professionals, and then measured the speed and quality of their work. The results suggest how rapidly Copilot can deliver value.

32%

overall faster completion of assigned tasks

20%

overall greater accuracy of completed tasks

87%

of participants agreed Copilot made them more productive overall

87%

of participants agreed Copilot helped them get up to speed on a new law quickly

77%

of participants agreed Copilot improved the quality of their work

81%

of participants agreed Copilot helped them summarize a new law faster

Results based on a randomized controlled trial by Microsoft Office of the Chief Economist, May 2024. All findings statistically significant at $P < 0.05k$

Lessons learned



Connect to the bigger picture

Create a clear connection between Copilot adoption and advancing the organizations' strategic AI plan.



Think 'Culture First'

Engage users, not just communicate to them. Use encouraging language and a tone that inspires them to experiment with Copilot, in turn enhancing skill-building.



Engage champions

Empower early adopters to evangelize to and inspire peers.



Celebrate wins

Recognize even the smallest victories at every opportunity. Share cross-departmental success stories that make Copilot adoption relatable and tangible.



Manage expectations

Position AI as a journey, rather than a destination. Emphasize continuous learning over immediate perfection.



Leverage leaders

Ensure leaders actively support and promote AI initiatives and model behaviors and actions needed to succeed.



Prioritize data management

Generative AI requires access to vast amounts of high-quality data with proper security, privacy, permissions and governance controls. Focus on data acquisition and clean up to successfully integrate AI while also addressing associated risks.

The path forward

CELA's AI transformation journey continues at a fast pace

Every day, CELA team members are leveraging Copilot and AI and discovering new benefits—including how it supports and simplifies busy workloads, empowering them to focus on what matters most.

CELA continues to push the boundaries of what's possible to harness the full potential of AI. At the heart of the transformation is a team dedicated to forging ahead into the era of AI with a lens of experimentation, innovation and responsible use.

Next steps

1. Advance foundational data and technical infrastructure

2. Deepen AI integration into end-to-end workflows to transform CELA's work and client interactions

3. Expand Copilot and AI capabilities for tasks such as RFIs, policy guidance, outside counsel work product, investigations, compliance risk assessments, transactions, regulatory governance, pro bono, and more

4. Continue prioritizing data-driven quantification of impact and informed investments while embracing ongoing change management