



# 2025:

## The Year the Frontier Firm Is Born...

and what it means for business applications



# Work Trend Index 2025

We surveyed **31,000 people** across **31 countries**, analyzed labor and hiring trends from LinkedIn, studied Microsoft 365 productivity patterns globally—and interviewed AI startups, economists, and academics shaping the future of work.





A detailed architectural sketch in white lines on a dark blue background. The sketch depicts a large, multi-story building complex with various levels, terraces, and a central courtyard. The building's design is modern and somewhat organic, with lines suggesting structural elements and windows. In the foreground, several small, stylized human figures are shown walking along a path or plaza, providing a sense of scale to the massive structure. The overall composition is a perspective view, looking towards the building.

# The Frontier Firm

# Journey to the Frontier Firm

## Phase 1

Human with assistant



Every employee has an AI assistant that helps them work better and faster

## Phase 2

Human-led agents



Agents join teams as “digital colleagues,” taking on specific tasks at human direction

## Phase 3

Human-led, agent-operated



Humans set direction and agents run entire business processes and workflows, checking in as needed

# The Emerging Frontier Firm

1

You can buy  
intelligence on tap

2

Human-agent teams will  
upend the org chart

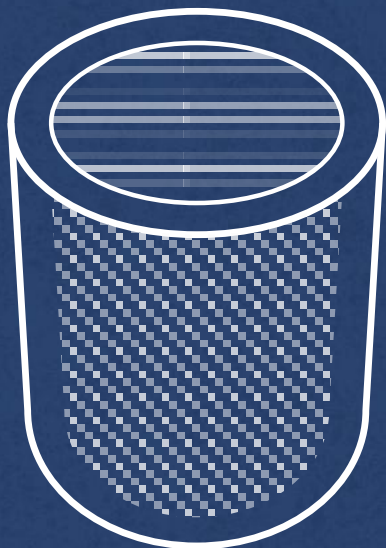
3

Every employee  
becomes an agent boss

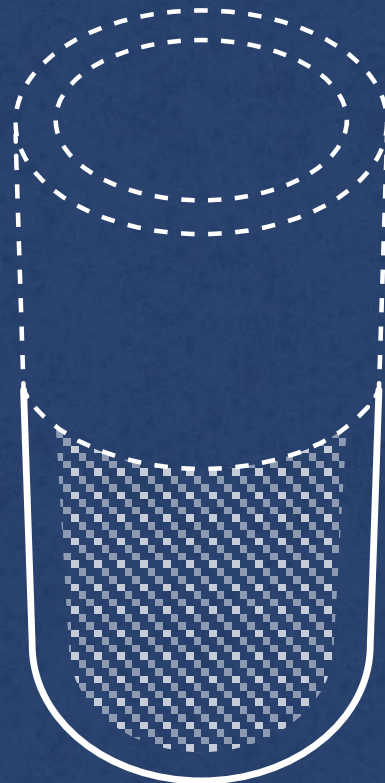


# Intelligence on tap will fill the Capacity Gap

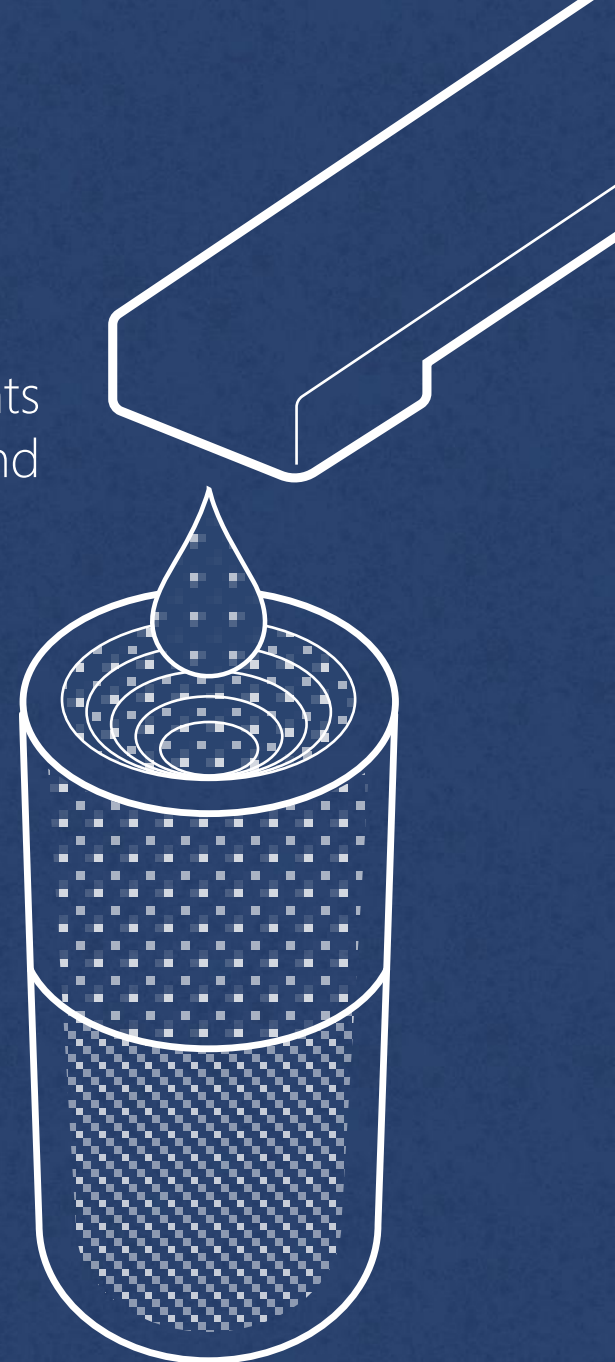
Employees are  
at capacity...



but leaders need  
to deliver more...



and plan to use agents  
to meet the demand



# Human labor is reaching its limits

## Capacity Gap



80%

This bar chart features a dark blue base and a top section with diagonal hatching. The percentage '80%' is prominently displayed in the center of the dark blue section.

of **global** workers  
agreed they lacked  
enough time/  
energy to do their  
work



53%

This bar chart features a dark blue base and a top section with diagonal hatching. The percentage '53%' is prominently displayed in the center of the dark blue section.

of **leaders** agreed  
productivity must  
increase



## Business demands outpace human capacity

Today's work is pushing the limits of humans alone, keeping employees from high-value tasks that drive growth and innovation.

275

Average number of times employees are interrupted by a meeting, email, or chat every day—once every **2 minutes** during core work hours

122%

Increase in the number of edits in PowerPoint in the **10 minutes** before a meeting compared to the 3 hours before

60%

Portion of meetings that are ad hoc—called **in the moment**

58

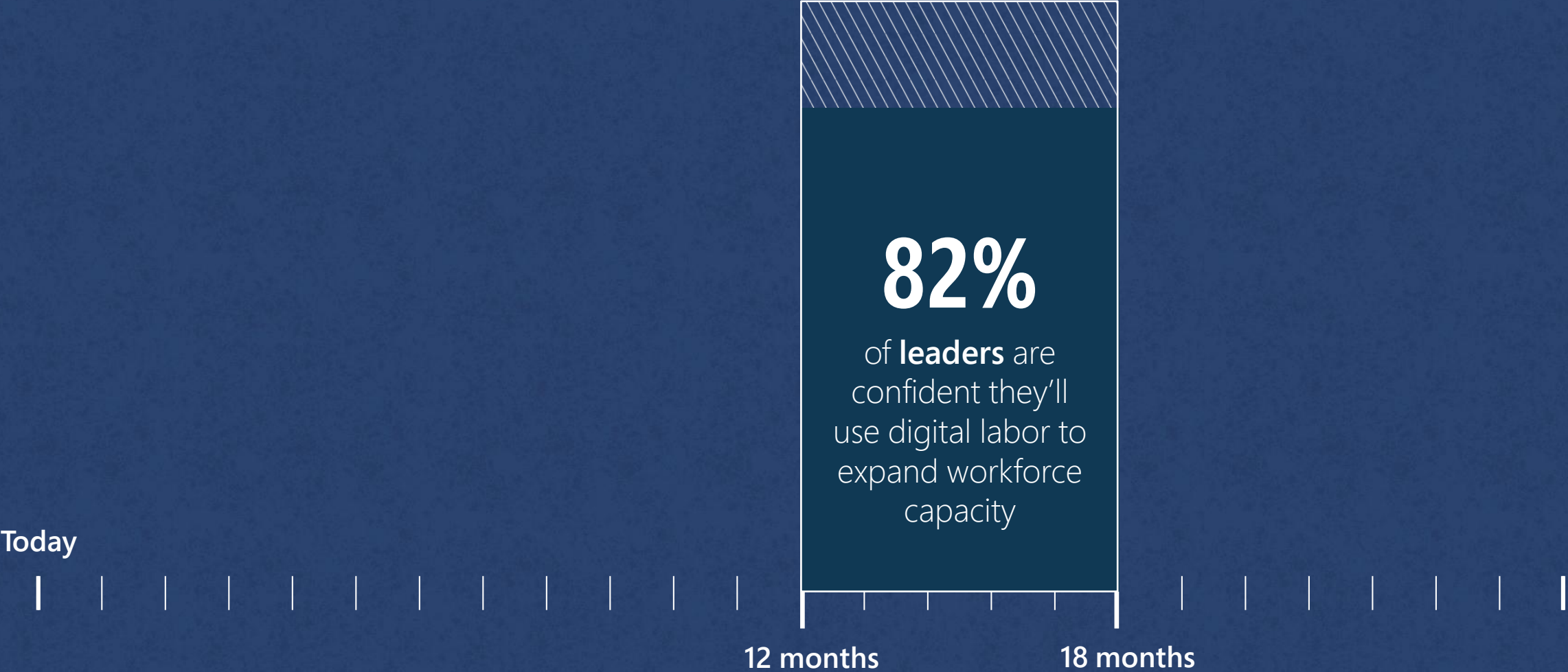
Number of chats sent daily outside of the typical 9-to-5 workday—**a 15% increase** year over year



## Frontier Firms pave the way forward

- **71%** of Frontier Firm workers say their company is thriving, compared to just **37%** globally.
- **55%** say they're able to take on more work (vs. **20%** globally)—and they're also more likely to report having opportunities to do meaningful work (**90% vs. 73% globally**).
- Frontier Firm workers say they're more optimistic about future work opportunities (**93% vs. 77% globally**) and less likely to fear AI will take their job (**21% vs. 38% globally**).

# Most leaders see agents as the way to scale





# The Emerging Frontier Firm

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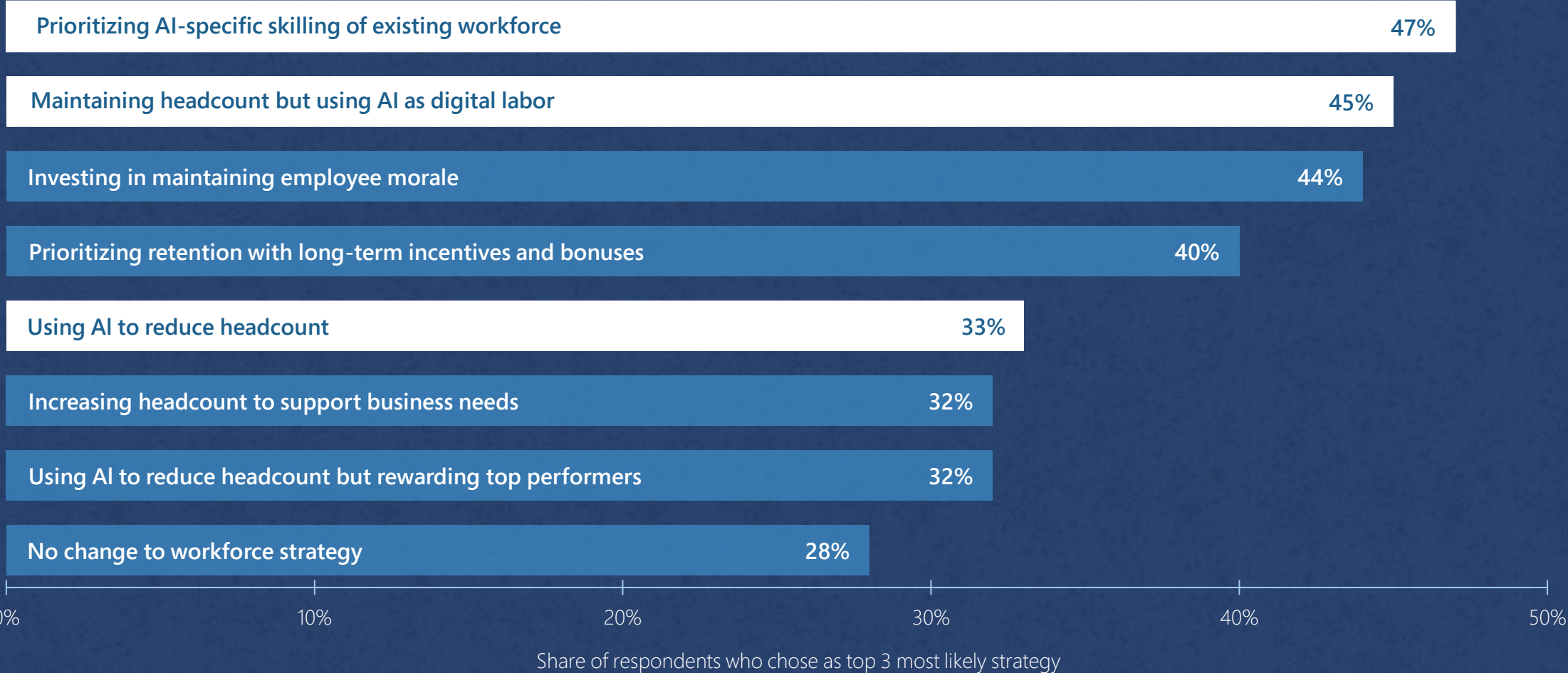
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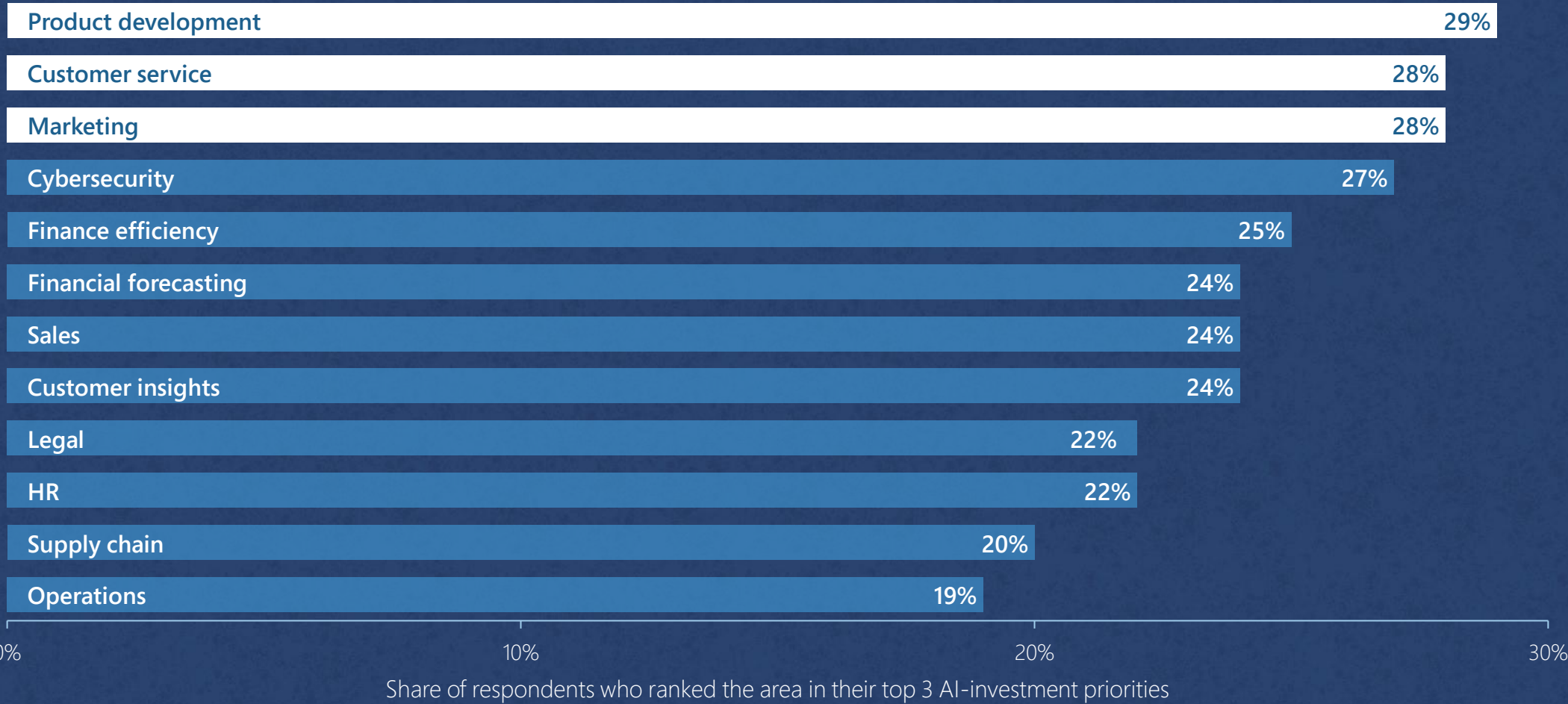
# AI skilling and digital labor are top workforce strategies





# Areas of accelerated AI investment

Over the next 6-12 months



# A new metric: The human-agent ratio

Optimal balance





**“As AI democratizes access to expertise and intelligence, we’ll see the rise of Intelligence Resources departments—much like how HR, IT, and Finance evolved into core strategic functions in previous eras. These new divisions will be essential for managing the dynamic interplay between human talent and AI agents, ultimately emerging as a critical source of competitive advantage in the AI-enabled enterprise.”**

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**Karim R. Lakhani**

Chair of the Digital, Data, and Design Institute at Harvard, and  
Dorothy and Michael Hintze Professor of Business  
Administration at Harvard Business School

# Employees turn to AI for its unique strengths

Primary reason chosen

**42%**

24/7 availability

**30%**

Machine speed and quality

**28%**

Endless stream of ideas on demand



# The Emerging Frontier Firm

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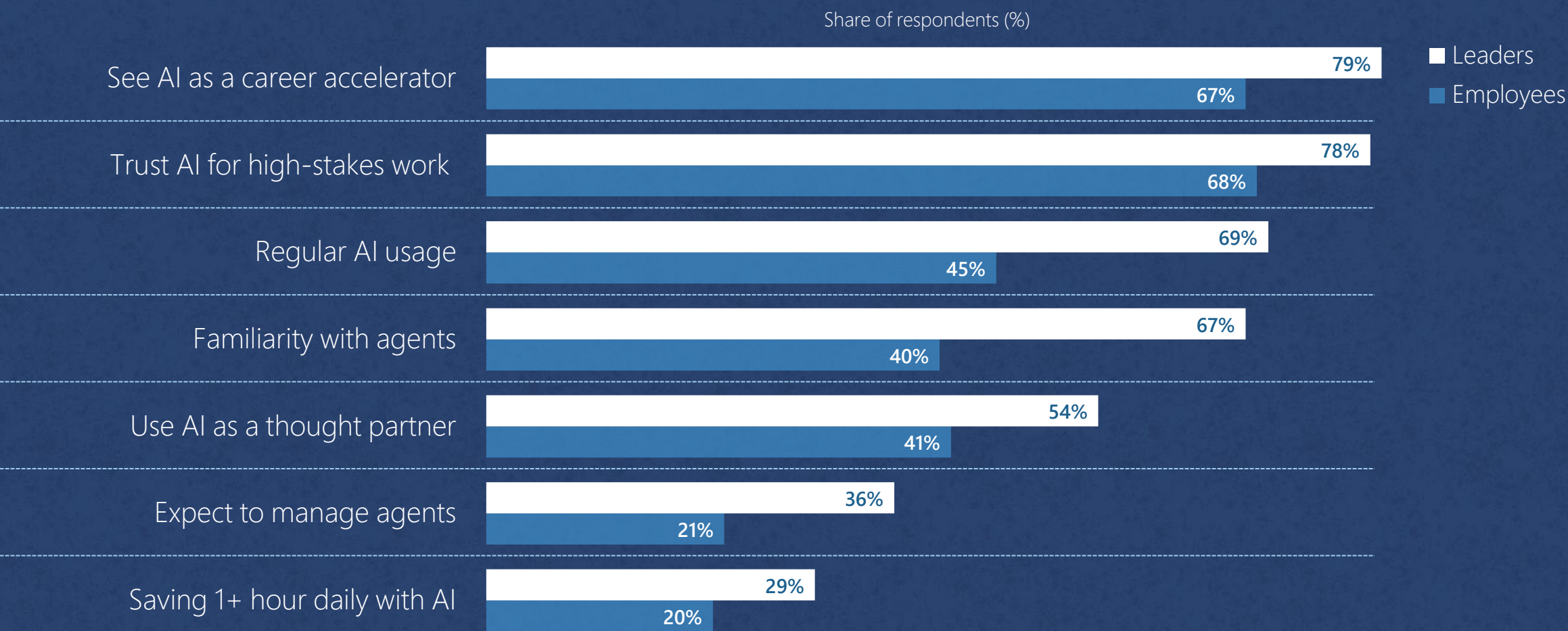
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# Leaders are becoming agent bosses, but everyone needs to shift

7 indicators to identify who has an agent boss mindset





## Labor market signals

2x

Top AI startups are hiring at  
twice the rate of Big Tech

78%

of leaders are considering  
hiring for AI-specific roles

# New jobs emerging

**Agent and  
data specialists**

**AI trainers**

**ROI analysts**

**AI strategists**  
in marketing, finance,  
and customer support





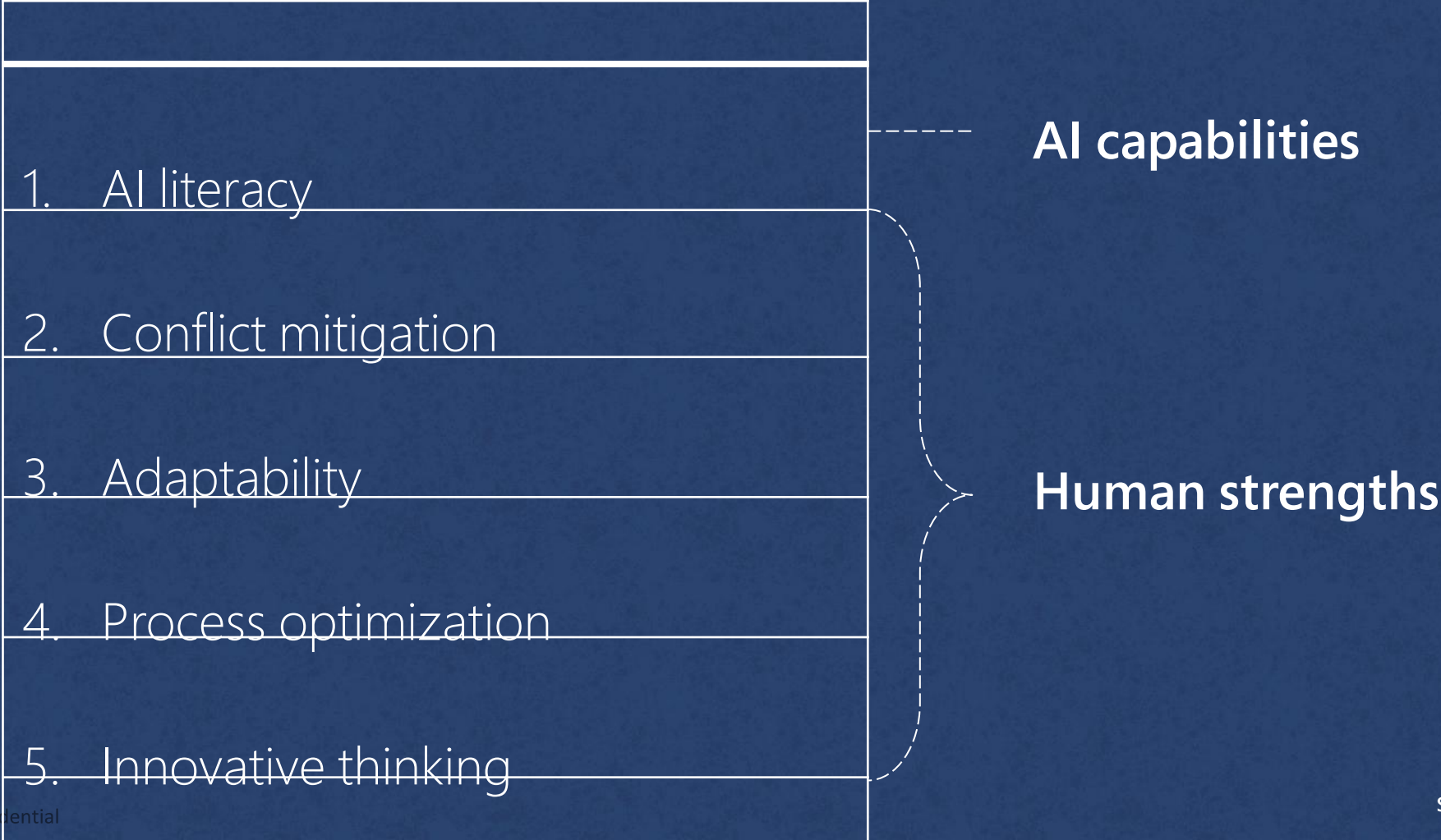


**83%**

**of leaders**  
believe AI will let  
junior employees do  
strategic work sooner.

# In-demand skills for the new era of work

Top skills for 2025 according to LinkedIn





# The path forward

- 1 Hire your first digital employees
- 2 Set your human-agent ratio
- 3 Get to broad scale—fast

A faint, white architectural sketch of a modern building with a complex, angular design. The sketch shows multiple levels, balconies, and a series of lines suggesting movement or structure. In the foreground, several small, stylized human figures are walking across a flat surface, providing a sense of scale. The entire background is a solid dark blue.

# What about Business Applications?





## **Copilot**

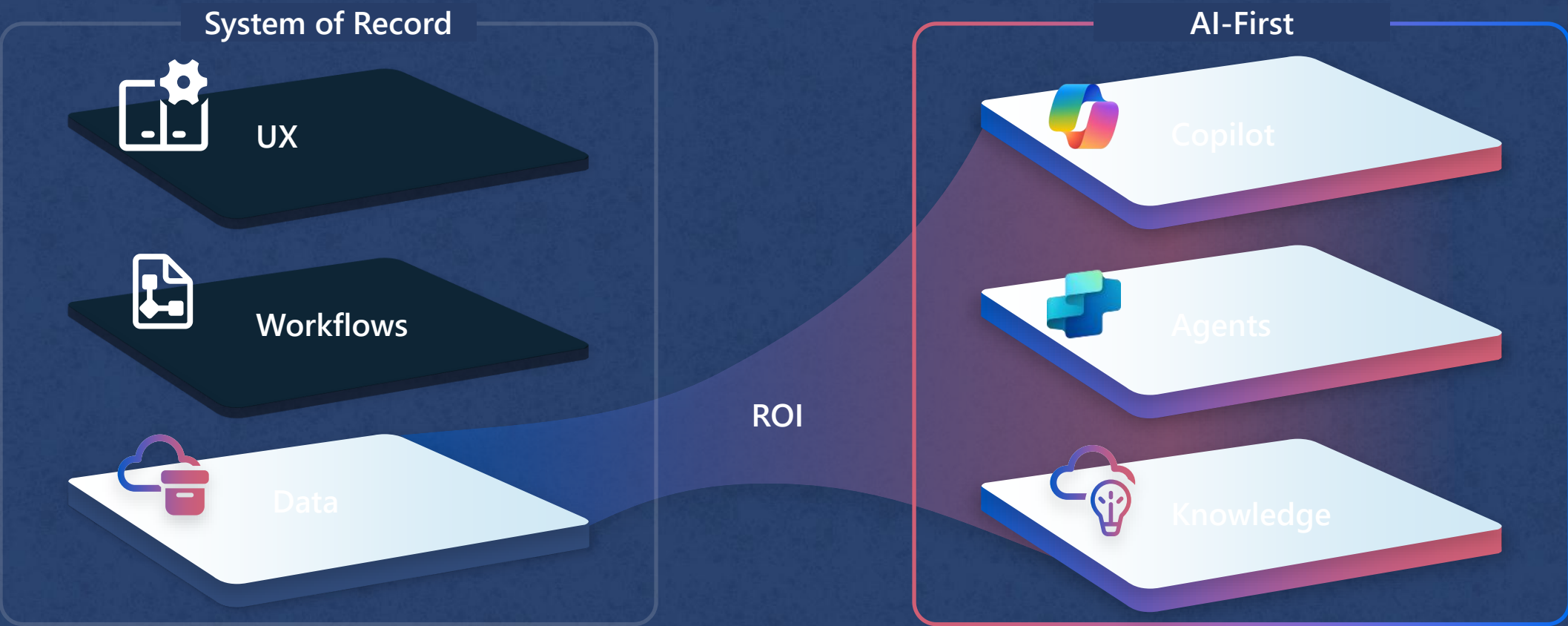
Every employee will  
have a Copilot



## **Agents**

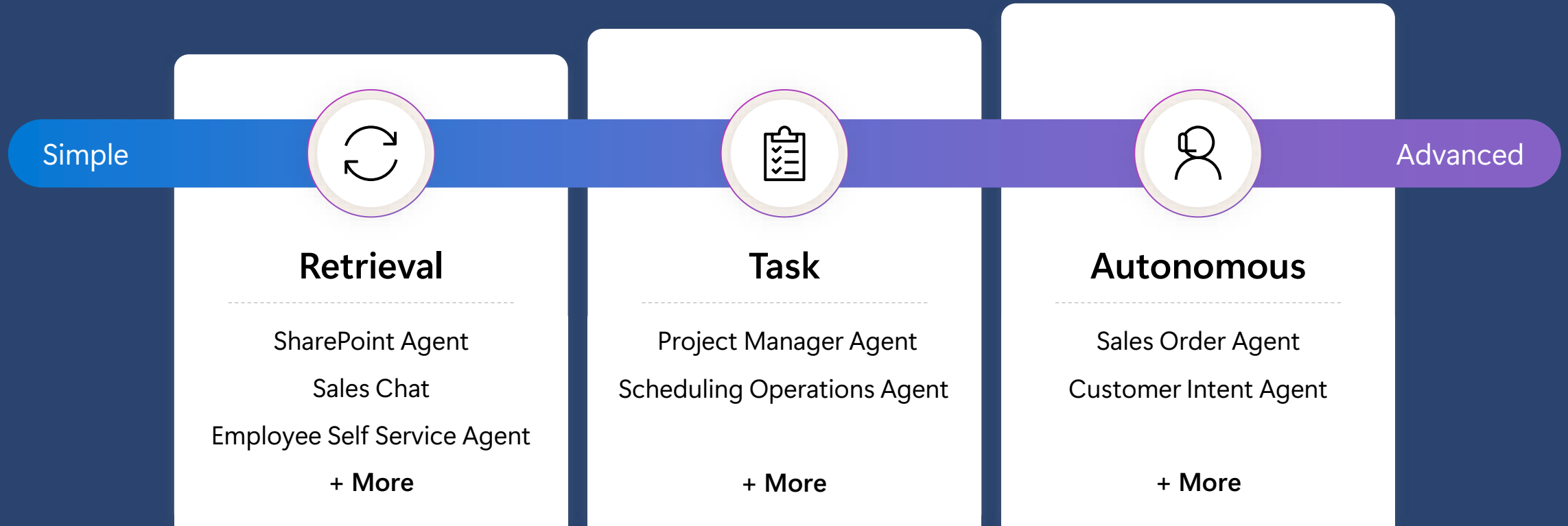
Every business process  
will have an agent

# Business applications are being reinvented





# A Range of First-party Microsoft Agents









# Meeting Customers Where They Are

## 1<sup>st</sup> party

SharePoint agents	Interpreter	Facilitator	Project Manager
Sales Agent	Sales Chat	Employee Self Service	Security
Copilot for Service	Sales Qualification	Supplier Comms	Account Reconciliation
Time & Expense	Sales Order	Financial Reconciliation	Scheduling Operations

+ more

## 3rd party

 Adobe	 LinkedIn
 SAP	 workday
 servicenow	 cohere

+ more

## Custom







RFP Helper	Campaign Performance	CSA Assist	Legal Precedent
IT Helpdesk	Personalized Upsell	Knowledge Compliance	Customer Escalation
Call Summary	Market Research	Outreach	Conversation Simulation
Lead Prediction	Campaign Compliance	Contract Review	Knowledge Metadata



# Agent Journey in Business Central

## Phase 1

Human with assistant




-  Chat
-  Sales Lines Suggestion
-  E-document matching
-  Bank account reconciliation
-  Suggest GHG emissions
-  ... 7 more & more to come!

## Phase 2

Human-led agents

## Phase 3

Human-led, agent-operated

-  Sales Order Agent
-  Payables Agent
-  ... more to come!

**Making information  
workers more productive**



M365 Copilot + Copilot Studio

**Transforming enterprise  
business processes**



Copilot Studio

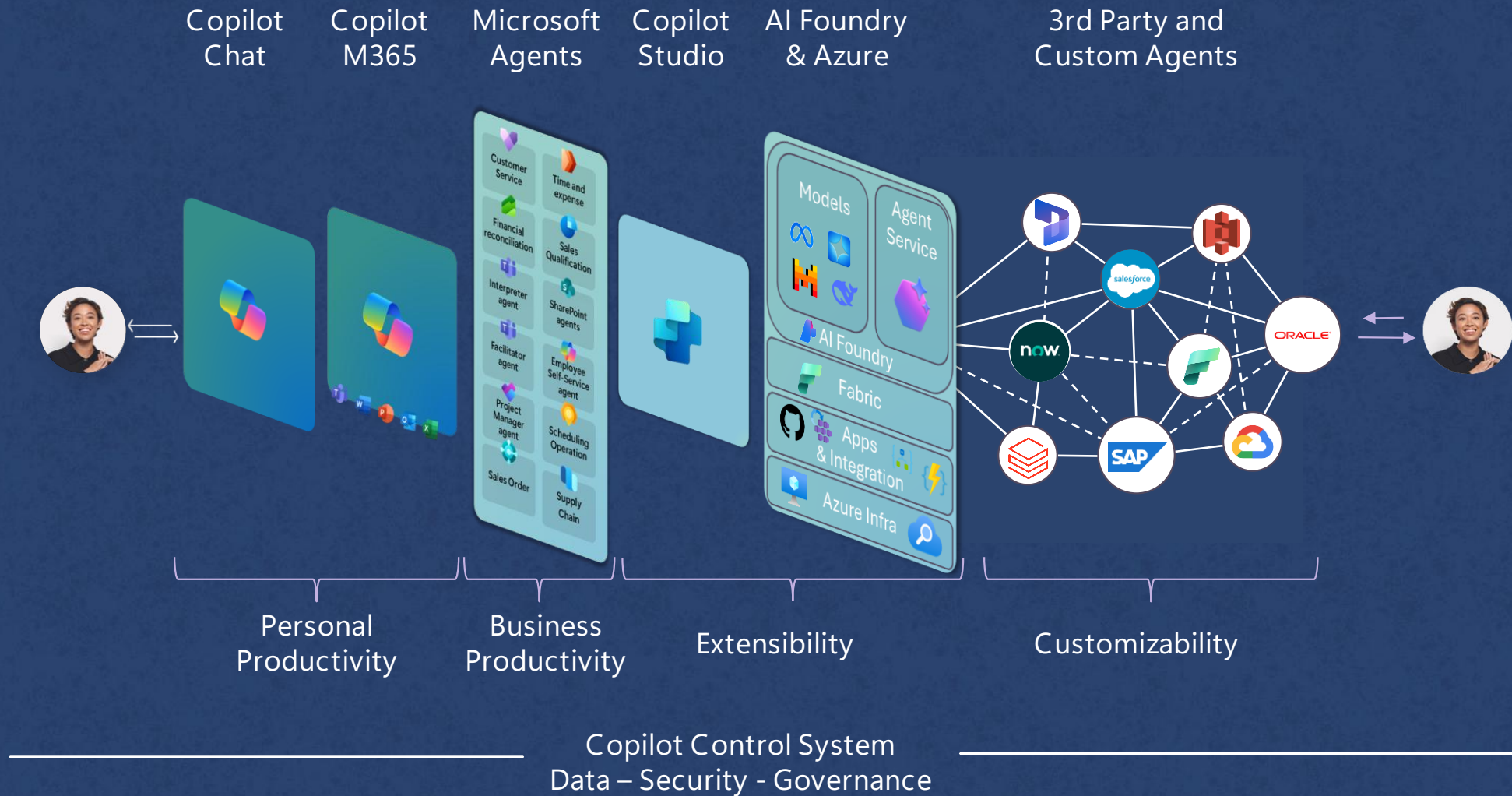
**Building custom  
AI solutions**



Azure AI Foundry + Copilot Studio



# Copilot is the UI for AI



# Starting your Microsoft Agent Journey

- 1** Get started with M365 Copilot and Copilot Chat – the UI for AI
- 2** Leverage pre-built agents like Researcher, Analyst, Sales and D365 agents
- 3** Deploy custom agents via Copilot Studio for high value business processes

# Thank you

Read the report

<https://aka.ms/2025WorkTrendIndex>