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New Technology: The Total Economic Impact™ Of Microsoft 365 Copilot As Used By Nonprofits

Cost Savings And Organizational Benefits Enabled By Microsoft 365 Copilot As Used By Nonprofit Organizations

A FORRESTER NEW TECHNOLOGY PROJECTED TOTAL ECONOMIC IMPACT™ STUDY
COMMISSIONED BY MICROSOFT, OCTOBER 2024

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ABOUT FORRESTER CONSULTING

Forrester provides independent and objective research-based consulting to help leaders deliver key outcomes. Fueled by our customer-obsessed research, Forrester's seasoned consultants partner with leaders to execute their specific priorities using a unique engagement model that ensures lasting impact. For more information, visit forrester.com/consulting.

Executive Summary

As organizations established for the provision of a public benefit, nonprofit organizations face unique challenges in their operations. For example, many nonprofits must publish their financials publicly, and nonprofits are also publicly rated according to their efficiency and use of funds. Large and small donors alike highly utilize these ratings to select which nonprofit organizations will receive their limited funds. Furthermore, many regulations globally dictate that a majority of a nonprofit's funds must come from broad public support, rather than from the support of a small number of wealthy individuals. All of this makes operating efficiency, investment in charitable programs, and the retention and onboarding of valuable skilled staff paramount to the survival of a nonprofit.

Microsoft 365 Copilot is an AI-powered workplace productivity tool that reduces repetitive tasks, automates processes, and accelerates creativity in a secure environment, and it can help transform nonprofit organizations by making their employees more efficient, secure, and adaptable. Specifically, Microsoft 365 Copilot embeds generative AI (genAI) into Microsoft applications like Outlook, Microsoft Teams, Word, Excel, PowerPoint, Microsoft Loop, Microsoft Whiteboard, and Microsoft OneNote. By doing so, Microsoft 365 Copilot can enable nonprofit staff to spend less time drafting and responding to emails, attending and actioning items from meetings, searching for information, and creating and designing documents. Employees can reinvest this saved time into getting more work done, improving their work-life balance, and being more strategic and creative in their roles. This can not only save costs, but it can also lead to mission advancement and improve staff satisfaction.

Microsoft commissioned Forrester Consulting to conduct a Total Economic Impact™ (TEI) study and examine the potential return on investment (ROI) enterprises may realize by deploying Microsoft 365 Copilot. The purpose of this study is to provide readers with a framework to evaluate the potential financial impact of Microsoft 365 Copilot on their organizations.

To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed eight representatives and surveyed 36 operations and IT decision-makers from nonprofits with experience using Microsoft 365 Copilot. For the purposes of this study, Forrester aggregated the interviewees and survey respondents' experiences and combined the results into a single composite organization that is a nonprofit organization with 500 total employees and annual gross receipts of $70 million.

Projefted return on investment (PROI)
52% – 316%

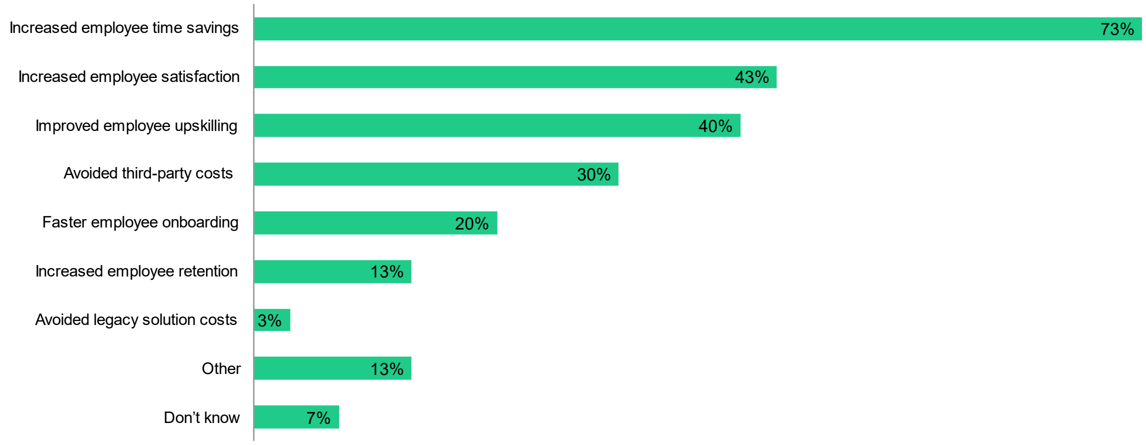
Projected net present value (PNPV)
$459K – $2.8M

The interviewees' organizations faced a number of challenges and constraints shared by other nonprofits. For example, their mission impacts were limited by fundraising and use-of-funds constraints. These constraints impeded abilities to hire additional staff, while current staff members spent an inordinate amount of time performing repetitive tasks like summarizing meeting notes and sending and responding to emails. Budget limitations also made it difficult for the organizations to deliver charitable programs effectively, establish new programs, and ultimately grow their impacts and better achieve their organizational missions.

After adopting Microsoft 365 Copilot, these challenges did not go away, but their negative impacts were mitigated. The interviewees from nonprofits said their organizations leveraged Microsoft 365 Copilot to enhance the value of staff members' work, automate repetitive tasks, and increase current staff members' time available to spend on creative or mission-oriented work. Key results from using Microsoft 365 Copilot include the ability to do more fundraising work and thus expand programs, improve operational efficiency, and improve the retention of valuable skilled staff while making the onboarding of new and replacement staff more efficient.

FIGURE 1

"Which of the following areas has/do you expect your organization to benefit from as a result of Microsoft 365 Copilot?"



Base: 30 respondents at nonprofit organizations using Microsoft 365 Copilot
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, August 2024

KEY FINDINGS

Quantified benefits. Three-year, risk-adjusted present value (PV) quantified benefits for the composite organization include:

- **Fundraising improvements between 10% and 20% by Year 3.** By improving the efficiency of communications and campaign development, Microsoft 365 Copilot makes it easier for the composite organization's marketing and fundraising staff to reach more donors and communicate with them more often. It also improves personalization and effectiveness of campaigns and donor outreach. Combined, these mechanisms enable the composite to raise additional funds to use for its programs as well as for its administrative costs, which provide a three-year net present value (NPV) between $789,000 and $2 million.
- **Operational efficiency improvements for internal staff between 10% and 25% by Year 3.** By generating content based on prompts from the composite's staff and leveraging the composite's own documentation and data, Microsoft 365 Copilot helps reduce the time the organization's staff spends in meetings, searching for information, and creating content by up to 25%. It also reduces the time marketing and fundraising staff spend designing campaigns and

communicating with donors by an additional 25%. This provides the composite with a total three-year NPV of between $263,000 and $895,000.

- **Cost reduction for certain technology and services costs between 50% and 100%.** Microsoft 365 Copilot reduces the composite's need for certain technologies (e.g., other AI tools and certain services like translation) up to 100%. This provides the composite with a total three-year NPV of between $220,000 and $639,000.
- **Staff retention improvements between 10% and 18% and a decrease in onboarding time by 15% to 25%.** By using Microsoft 365 Copilot, the composite's staff spends less time on mundane and repetitive tasks. They also complete more of their work faster, improve their work-life balance, and spend additional time thinking about strategy and being creative in their roles. This brings them more satisfaction and improves the organization's retention rate. Likewise, newly onboarded staff find it easier to locate documents they need and learn their roles, they become more effective faster, and they find more satisfaction in their work. Combined, the improved retention of staff and the accelerated onboarding of new hires brings the composite a three-year total NPV of between $66,000 and $123,000.

Improved funding for programs

Up to 23%

Unquantified benefits. Benefits that provide value for the composite organization but are not quantified for this study include:

- **Improved data governance and security.** To deploy Microsoft 365 Copilot, the composite must organize, understand, and remedy its gaps in data governance, which improves security. Similarly, because Microsoft 365 Copilot is a closed ecosystem, the composite's data is never sent via the open internet and it isn't used to train AI models. This gives the composite more confidence that its information is safe than with other third-party gen AI tools.

Costs. Three-year, risk-adjusted PV costs for the composite organization include:

- **Microsoft 365 Copilot licenses.** The composite pays $30 per user per month for its Microsoft 365 Copilot licenses, which amounts to a total three-year NPV of $129,000.
- **Implementation and management costs.** Before deploying Microsoft 365 Copilot, the composite spends $250,000 on third-party services to organize its data management and governance. It also requires one full-time equivalent to manage Microsoft 365 Copilot on an ongoing basis. These costs amount to a total three-year NPV of $694,000.
- **Training and change management costs.** It takes the composite 10 hours in the initial period and 7 hours in subsequent years to train each staff member to be proficient enough in Microsoft 365 Copilot to achieve the modeled benefits. Additionally, the composite spends $16,000 on developing change management materials. These costs amount to a total three-year NPV of $54,000.

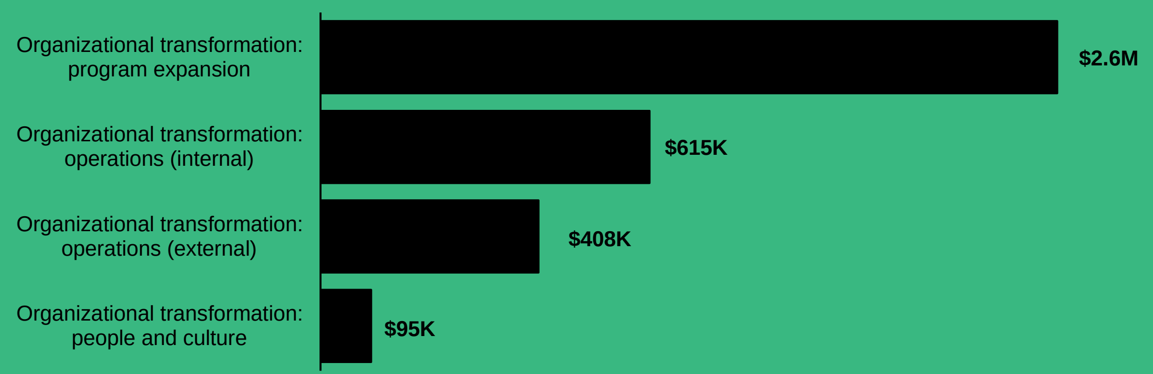
Forrester modeled a range of projected low-, medium-, and high-impact outcomes based on evaluated risk. This financial analysis projects that the composite organization accrues the following three-year NPV for each scenario by enabling Microsoft 365 Copilot:

- Projected high impact of a $2.8 million NPV and projected ROI of 316%.
- Projected medium impact of a $1.6 million NPV and projected ROI of 185%.
- Projected low impact of a $459,000 NPV and projected ROI of 52%.

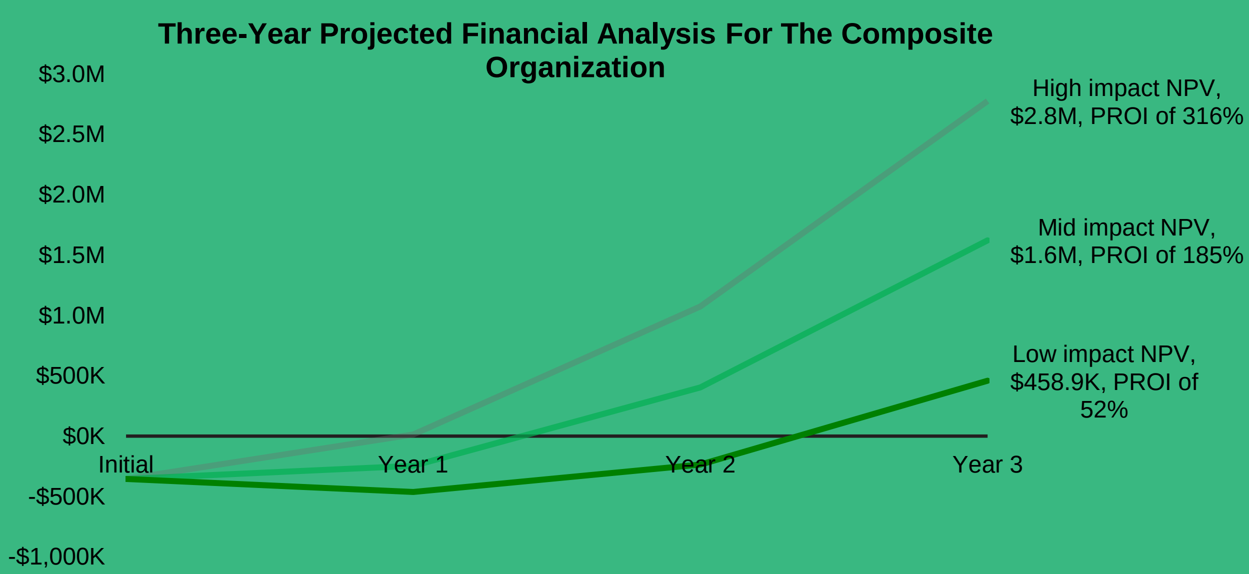
> “Copilot helps us find the right way to engage with the various stakeholders, like staff, donors, or those we serve. We now design communications that meet them where they are.”
>
> DEVELOPMENT COORDINATOR, HEALTH NONPROFIT (NORTH AMERICA)

PROI	PROJECTED BENEFITS PV	PROJECTED NPV	TOTAL COSTS
52% - 316%	**$1.3M - $2.7M**	**$459K - $2.8M**	**$878K**

Projected Benefits (Three-year)



Figures in chart above are projections for the mid-case scenario.



NEW TECH TEI FRAMEWORK AND METHODOLOGY

From the information provided in the interviews, Forrester constructed a New Technology: Projected Total Economic Impact™ (New Tech TEI) framework for those organizations considering an investment in Microsoft 365 Copilot.

The objective of the framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact that Microsoft 365 Copilot can have on a nonprofit organization.

1. **Due Diligence**
   Interviewed Microsoft stakeholders and Forrester analysts to gather data relative to Microsoft 365 Copilot.
2. **Early-Implementation Interviews And Survey**
   Interviewed eight representatives and surveyed 36 operations and IT decision-makers from nonprofits with experience using Microsoft 365 Copilot to obtain data about projected costs, benefits, and risks.
3. **Composite Organization**
   Designed a composite organization based on characteristics of the interviewees' organizations.
4. **Projected Financial Model Framework**
   Constructed a projected financial model representative of the interviews using the New Tech TEI methodology and risk-adjusted the financial model based on issues and concerns of the interviewees.
5. **Case Study**
   Employed four fundamental elements of TEI in modeling the investment's potential impact: benefits, costs, flexibility, and risks. Given the increasing sophistication of ROI analyses related to IT investments, Forrester's TEI methodology provides a complete picture of the total economic impact of purchase decisions. Please see Appendix A for additional information on the TEI methodology.

DISCLOSURES

Readers should be aware of the following:

This study is commissioned by Microsoft and delivered by Forrester Consulting. It is not meant to be used as a competitive analysis.

Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the study to determine the appropriateness of an investment in Microsoft 365 Copilot.

Microsoft reviewed and provided feedback to Forrester, but Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning of the study.

Microsoft provided the customer names for the interviews but did not participate in the interviews.

The Microsoft 365 Copilot As Used By Nonprofits Customer Journey

Drivers leading to the Microsoft 365 Copilot investment for nonprofits

KEY CHALLENGES

The interviewed nonprofit leaders said that before exploring an investment in Microsoft 365 Copilot, their organizations were just beginning their AI journeys and had not yet made any investments into any other AI products or solutions. Some interviewees said their organization formally explored working with other genAI solutions, but almost all said they suspected that at least some staff were already informally engaging with such solutions.

The interviewees noted how their organizations struggled with common challenges, including:

- **Resource constraints.** The interviewees noted that because their organizations are nonprofits, they are resource-constrained in ways that for-profit organizations are not. Many were reliant upon a broad base of small-dollar donors to sustain their operations. The technology director for a health nonprofit in EMEA said, “We are always under-resourced compared to the ambitions of the organization.”

  Interviewees also said donors judged their organizations based on how much of their gross receipts went to fund the nonprofit’s programs versus paying for administrative staff, which limited their ability to hire and maintain enough staff to effectively manage their operations. The CITO from a sports inclusion nonprofit said, “No one has time to take on anything new or spend any additional time on our goals.”

- **Information overload.** The interviewees also shared that their nonprofit organizations and staff were faced with information overload. They said that much organizational documentation had been developed over the years, but not all of it was easy to find or utilize when needed. The technology director from a municipal nonprofit said: “Our biggest pain point by far is fetching documentation. Users spend far too much time going and searching through navigation panes and SharePoint pages to find the documentation they need. We need to move to something more context-driven."

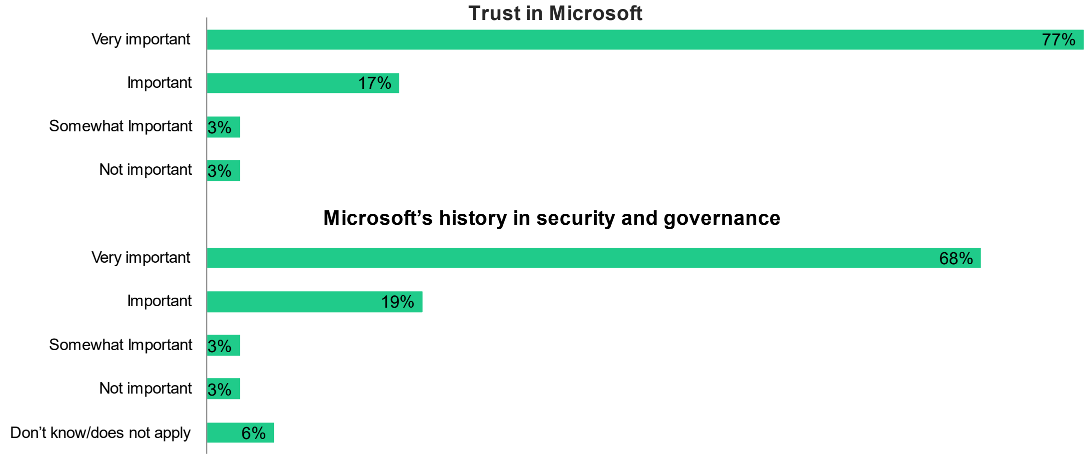
- **Shadow AI.** The interviewees also noted that they knew their organizations' staff were already beginning to use free versions of genAI services to enable them to be better at their jobs and that these services posed a security risk. The IT director from a religious nonprofit stated: "In IT, we work in fear all the time. As soon as the free AI services started coming out, I knew we had to jump fast to alleviate security concerns."

> "Copilot is allowing us to move beyond our resource constraints, delivering on our growth trajectory while maintaining our existing staffing levels."
>
> CITO, SPORTS INCLUSION NONPROFIT

> "We could see people were accessing free AI services online and didn't know what they were uploading. This posed a security and data risk that moving to Copilot would prevent while still enabling our staff to augment their work with AI."
>
> TECHNOLOGY DIRECTOR, HEALTH NONPROFIT (EMEA)

FIGURE 2

"How important were the following criteria in selecting Microsoft 365 Copilot?"



Base: 31 respondents at nonprofit organizations using Microsoft 365 Copilot
Note: Percentages may not total 100 because of rounding.
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, August 2024

MARKET OVERVIEW

Advancing Nonprofit Missions With Microsoft 365 Copilot

Beyond the quantifiable financial impact interviewees expected Microsoft 365 Copilot to deliver, they shared numerous ways they expect Copilot to do something far more important: effectively deliver their organizations' programs in service of their foundational missions. The CITO from the sports inclusion nonprofit noted that because the core function of Microsoft 365 Copilot is to take large amounts of information and synthesize it, the application of the technology in service of their organizations' constituents —many of whom have intellectual disabilities — was vast. They hoped to provide Copilot to these constituents to help them make better decisions, communicate, and learn.

The CITO said their organization was already using Copilot to ensure all its communications with these constituents was at an easily understandable reading level. They also said they planned to make Copilot available to a much broader audience in the future to help those without intellectual disabilities understand what it would be like to have one. They stated: "I designed a prompt asking Copilot to make the most complex instructions for tying shoes that it possibly could. The result was a full five paragraphs involving tensor physics, and it was nearly impossible to understand. I want to show people how complexity drives incomprehension for the disabled."

A deputy COO of a charity support nonprofit described the way their organization is advancing its mission with Copilot: "We have lots of proprietary data regarding charities, but there's loads more information available publicly. We plan to use Copilot to take our data and supplement it with public domain data and enable donors to use natural-language queries to determine which charities suit the donor's wishes best. We also plan to offer charities tips and best practices based on Copilot analyses of what worked and what didn't work for different charities' fundraising campaigns. Lastly, we want to make it as easy as possible for charities to apply for grants and [we] will use Copilot to develop a single application that charities can use to go apply to a multitude of grants, all of which as different questions."

Some interviewees noted that in addition to Copilot directly supporting their organization's program execution, the tool also improved mission effectiveness when it saved certain employees time. For example, a technology director from a municipal nonprofit said: "Copilot is helping our finance and HR departments reduce the time they spend on audits and operations. These teams are tasked with both operational and strategic responsibilities. If they spend 90% of their time on audits operations, it leaves very little time for them to focus on innovation and advancement. We think Copilot is going to flip that equation and let these teams spend more time being strategically impactful."

And although not within the scope of this study, the same interviewee shared how their organization can use Copilot for the web in service of its mission. They said: "Part of our mission is to improve equity within our community. We are doing this by ensuring everyone has access to the latest tools and technologies, regardless of their financial status or anything else. By providing Copilot to our patrons and community members, we can help them to improve their careers, pursue entrepreneurial opportunities … and whatever they can come up with."

COMPOSITE ORGANIZATION

Based on the interviews, Forrester constructed a TEI framework, a composite company, and an ROI analysis that illustrates the areas financially affected. The composite organization is representative of the eight interviewees, and it is used to present the aggregate financial analysis in the next section. The composite organization has the following characteristics:

Description of composite. The composite organization is a mission-driven nonprofit organization with 500 total staff members and $72 million in annual gross receipts. Its largest base of support is hundreds of thousands of small-dollar donors who give monthly or annually. It has a small number of large-dollar donors as well as limited commercial operations related to its mission that round out its budget. The composite spends approximately 75% of its gross receipts on program expenses, leaving 25% remaining for its non-program expenses. The composite is at the very early stages of its AI adoption journey. Although it recently evaluated genAI services, its employees began leveraging such services several months earlier. The composite's IT leadership is concerned about the security risk such services pose.

Deployment characteristics. The composite launches a small internal pilot program to analyze the effectiveness of Microsoft 365 Copilot in augmenting the work of its staff, while keeping organizational data secure. After the pilot program, staff adoption hits 15% in Year 1, 30% in Year 2, and 40% by Year 3. The composite does not experience significant differences in adoption between different departments and roles.

KEY ASSUMPTIONS

$72 million in annual gross receipts

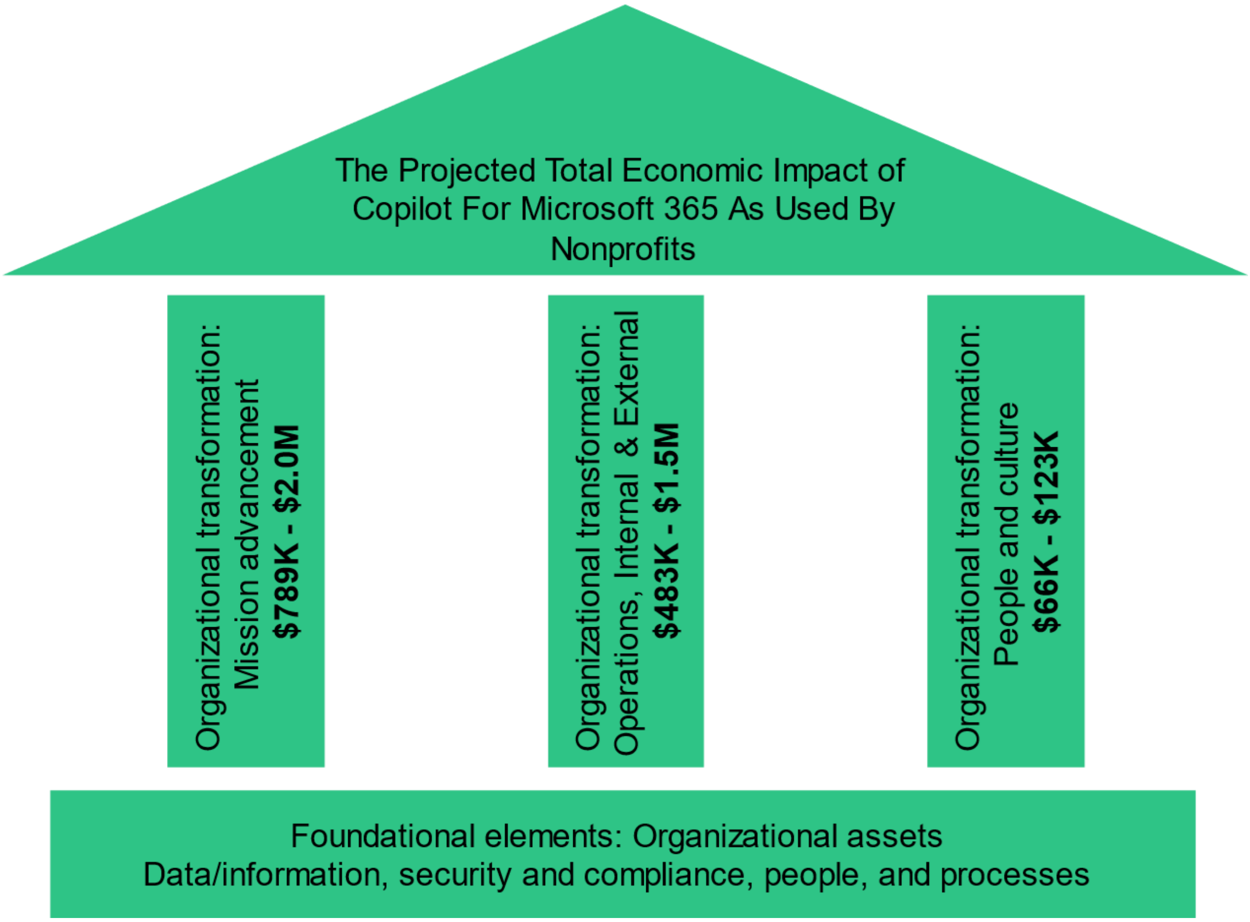
500 total staff members

65 marketing staff members

Adoption rate: 15% in Year 1, 30% in Year 2, 40% in Year 3

FIGURE 3

The Business Case For Microsoft 365 Copilot As Used By Nonprofits



Analysis Of Benefits

Quantified benefit data as applied to the composite

Total Projected Benefits					
Projected Benefits	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Total projected benefits (low)	$69,763	$489,818	$1,156,144	$1,715,725	$1,336,857
Total projected benefits (mid)	$307,190	$1,004,485	$1,850,492	$3,162,167	$2,499,718
Total projected benefits (high)	$594,445	$1,498,740	$2,495,120	$4,588,305	$3,653,652

ORGANIZATIONAL TRANSFORMATION: MISSION ADVANCEMENT

Evidence and data. The interviewees said they expect Microsoft 365 Copilot to quantifiably advance their nonprofits' missions by improving the ability of staff to fundraise. They explained that Microsoft 365 Copilot has the ability to design better messaging for fundraising campaigns around specific audience segments or to personalize to the historic data of specific individuals or the requirements of specific grant applications. This meant fundraising professionals could execute campaigns and win grants at faster speeds and higher success rates.

The CITO from the sports inclusion nonprofit said: "Copilot will help our fundraising teams build better messaging quicker and build better proposals faster. I estimate we'd see up to 10% lift in fundraising from this." The development coordinator from a North American health nonprofit shared: "You have to know your audience to fundraise effectively. Copilot helps us tailor our messaging — whether in email or in speeches — to each audience we engage with to better our fundraising."

In addition, interviewees said Microsoft 365 Copilot's translation abilities allow their organizations to expand global fundraising beyond English-speaking populations. The CITO at the sports inclusion nonprofit noted: "These roles' success comes down to communicating. Copilot is an excellent tool for speeding up and facilitating communication, even across languages. Fundraising in multiple languages will be key for growth.” Survey respondents who agreed that Microsoft 365 Copilot would help their nonprofit increase annual fundraising estimated its impact to be 30% on average.

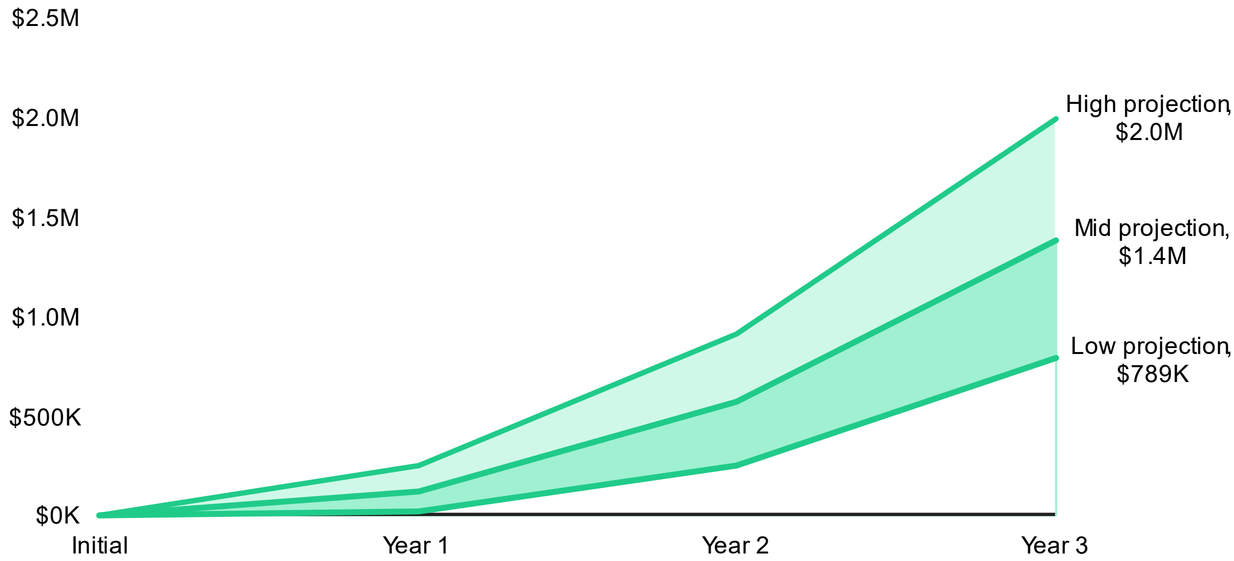
Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- Before adopting Microsoft 365 Copilot, the composite raised $72 million in annual gross receipts.
- The rollout and adoption rate are the same at 15% in Year 1, 30% in Year 2, and 40% in Year 3. The adoption rate is the same among fundraising professionals as it is for the organization.
- Copilot impacts the growth in fundraising between 1% and 10% in the low-case scenario, between 5% and 15% in the mid-case scenario, and between 10% and 20% in the high-case scenario.
- The composite uses 75% of these funds to expand its programs, which brings gains of up to between $2.2 million and $4.3 million annually.
- The remaining 25% of funds is used to fund non-program expenses, enabling the nonprofit’s administration to grow to better support program expansion.

Results. This yields a three-year projected PV ranging from $789,000 (low) to $2 million (high).

FIGURE 4

Organizational Transformation: Mission Advancement Module: Range Of Three-Year Cumulative Impact, PV



Improvement to fundraising from Microsoft 365 Copilot

Up to 30%

Increase in funds for program expansion

Up to 15%

> "Microsoft 365 Copilot enables us to better meet our audience where they are, moving away from messaging that may be too technical or boring for them and to more effective stories that move donors to give."
>
> DEVELOPMENT COORDINATOR, HEALTH NONPROFIT (NORTH AMERICA)

Organizational Transformation: Mission Advancement					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
A1	Funds raised before Microsoft 365 Copilot adoption	Composite	$72,000,000	$72,000,000	$72,000,000
A2	Microsoft 365 Copilot adoption rate	B2	15%	30%	40%
$A3_{Low}$			1%	5%	10%
$A3_{Mid}$	Growth from Microsoft 365 Copilot	Interviews	5%	10%	15%
$A3_{High}$			10%	15%	20%
$A4_{Low}$			$108,000	$1,080,000	$2,880,000
$A4_{Mid}$	Total additional funding raised	A1*A2*A3	$540,000	$2,160,000	$4,320,000
$A4_{High}$			$1,080,000	$3,240,000	$5,760,000
A5	Percent of funds spent on programs	Composite	75%	75%	75%
$A6_{Low}$			$81,000	$810,000	$2,160,000
$A6_{Mid}$	Total new funds available for programs	A4*A5	$405,000	$1,620,000	$3,240,000

$A6_{High}$			\$810,000	\$2,430,000	\$4,320,000
A7	Percent of funds spent outside of programs	Composite	25%	25%	25%
At_{Low}			**\$27,000**	**\$270,000**	**\$720,000**
At_{Mid}	**Organizational transformation: mission advancement**	**A4*A7**	**\$135,000**	**\$540,000**	**\$1,080,000**
At_{High}			**\$270,000**	**\$810,000**	**\$1,440,000**
	Three-year projected total: \$1.0M to \$2.5M		**Three-year projected present value: \$789K to \$2.0M**		

ORGANIZATIONAL TRANSFORMATION: OPERATIONS (INTERNAL)

Evidence and data. In addition to advancing their nonprofits' missions via raising more funds for program and administrative expansion, the interviewees and survey respondents each said they expect Microsoft 365 Copilot to reduce their organization's operating costs by making staff more productive. The overwhelming majority of interviewees and respondents said Microsoft 365 Copilot would reduce the time their staff spends on mundane tasks, enabling them to spend more time on meaningful and mission-impactful work. The CITO from the sports inclusion nonprofit said: "Copilot is easily saving me 30% of my week. If we could do this for my full staff, it would be like having an extra 100 FTEs."

Interviewees and survey respondents said one of the key ways they feel Microsoft 365 Copilot would enable their organization's staff to be more productive is in making meetings more efficient and more effective. The CITO from the sports inclusion nonprofit shared: "[Using] Microsoft 365 Copilot means I can pay attention in meetings because I don't have to take notes. I can take all the transcripts from the meetings I'm in and have Copilot summarize them, pulling key action items or other insights for our use."

Some interviewees noted that Microsoft 365 Copilot enabled them to not just save time but also to get additional information. For example, the development coordinator for a North American health nonprofit shared: "We have a lot of educational meetings like lunch and learns at least once a week, if not two or three times weekly. I can't attend all of these, but I do have the transcripts, and I can have Copilot summarize and tell me all the most important things I should know from each one."

Survey respondents said they expect Microsoft 365 Copilot to reduce the time spent in meetings per employee by an average of 22% and the time spent on agenda management by an average of 29%.

Another area in which interviewees and survey respondents said they expect Microsoft 365 Copilot to impact staff productivity is in searching for documents and information. The technology director for the municipal nonprofit shared: "We have a lot of resources and documentation that our staff need to do their jobs. Not only that, but they are also constantly accessing resources and documentation on behalf of our constituents, as well. In tracking use of Copilot, we've found that staff using Copilot are finding the information they need or that a constituent needs in 30 seconds or less, where it used to take them between 3 and 5 minutes." Survey respondents said they expect Microsoft 365 Copilot to save their staff 36% of the time previously spent searching for information and documentation and the time spent processing and summarizing information by 34%.

The final area in which interviewees and survey respondents said they expect Microsoft 365 Copilot to impact staff productivity is in the creation of various types of documents. The technology director at the municipal nonprofit said: "We have a lot of teams using Copilot in Outlook and Teams for creating better communications. The executive director even uses it for all of his internal communications to check the tone of these emails and the like. In the past 30 days, 206 different individuals have used Copilot at least once for augmenting communications."

The CEO from a technology nonprofit said: "I used Copilot to take a Word document and use it as the basis for a PowerPoint presentation. It cut down my total time to create that presentation by between one-third and one-half." Survey respondents said they expect Microsoft 365 Copilot to reduce the time spent creating emails by 32%, the time spent creating documents by 32%, and the time spent creating presentations by 27%.

They also said they believe marketers and fundraisers in particular would save time with Microsoft 365 Copilot due to the nature of their work being highly dependent on crafting communications and creating documentation aimed at communicating effectively. Seventy-three percent of respondents said marketers would benefit most from Microsoft

365 Copilot, while 50% said fundraisers would benefit most. Survey respondents also said marketers would experience up to 35% time savings to their work from Microsoft 365 Copilot.

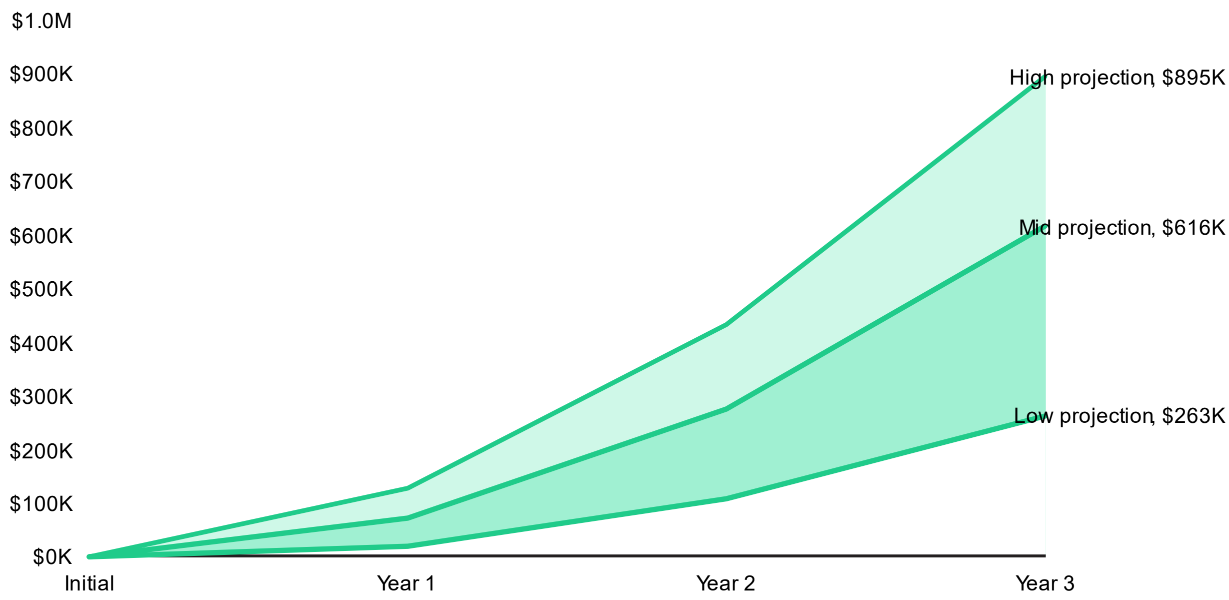
Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- Without Microsoft 365 Copilot, the average employee spends 672 hours in meetings, managing agendas, searching for information, communicating, and creating documents.
- Copilot saves the composite between 3% and 10% of this time in the low-case scenario, between 10% and 20% of this time in the mid-case scenario, and between 15% and 25% of this time in the high-case scenario.
- The average fully burdened hourly rate for a staff member is $25. Fully burdened rates include a 30% premium over salary to account for benefits and other expenses related to full-time employees.
- Thirteen percent of the composite’s staff is in marketing or fundraising.
- These professional spend the remainder of their time creating content, managing campaigns and communicating with donors, and they save time at a rate between 1% and 5% in the low-case scenario, between 5% and 15% in the mid-case scenario, and between 15% and 25% in the high-case scenario.
- The average fully burdened hourly rate for a marketing staff member is $45.
- Half of the time saved is used productively across both general staff and marketing professionals.

Results. This yields a three-year projected PV ranging from $263,000 (low) to $895,000 (high).

FIGURE 5

Organizational Transformation: Operations (Internal) Module: Range Of Three-Year Cumulative Impact, PV



Time saved from Microsoft 365 Copilot

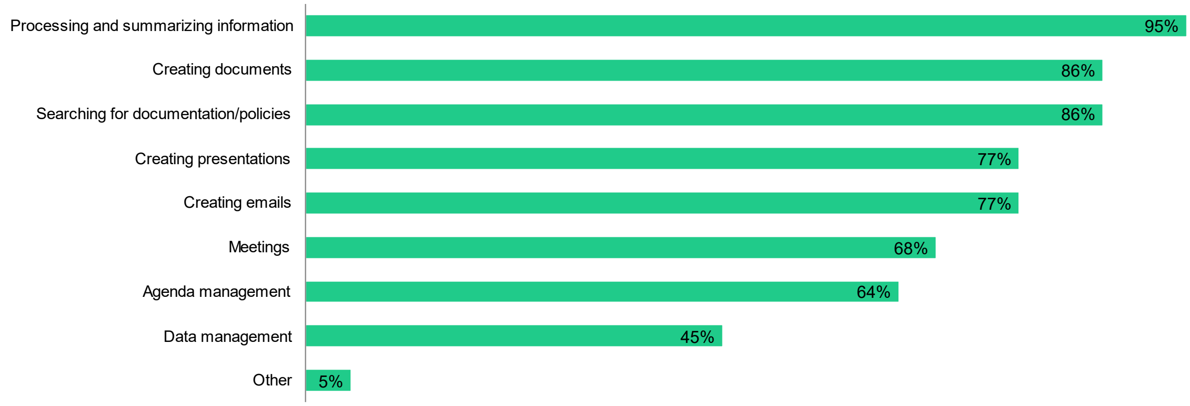
Up to 25%

"We did an internal study and found that active Copilot users were getting an 18 times ROI [at a 100% productivity recapture rate]. We need to push more people to adopt and use Copilot."

TECHNOLOGY DIRECTOR, HEALTH NONPROFIT

FIGURE 6

"Where do you currently see or expect to see employee time savings using Microsoft 365 Copilot?"



Base: 22 respondents at nonprofit organizations using Microsoft 365 Copilot
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, August 2024

Organizational Transformation: Operations (Internal)

Ref.	Metric	Source	Year 1	Year 2	Year 3
B1	Total staff members	Composite	500	500	500
B2	Microsoft 365 Copilot adoption rate	Survey	15%	30%	40%
B3	Time spent meeting, managing agendas, searching for information, communicating, and creating documents without Microsoft 365 Copilot (hours)	Survey	672	672	672
$B4_{Low}$	Percent of time saved meeting, managing agendas, searching for information, communicating, and creating documents	Interviews and survey	3%	7%	10%
$B4_{Mid}$			10%	15%	20%
$B4_{High}$			15%	20%	25%
B5	Average fully burdened hourly rate for a general staff member	Composite	$25	$25	$25
$B6_{Low}$	Subtotal: Savings for general staff	B1*B2*B3*B4*B5	$37,800	$176,400	$336,000
$B6_{Mid}$			$126,000	$378,000	$672,000

$B6_{High}$			$189,000	$504,000	$840,000
B7	Percent of staff in marketing/fundraising	Composite	13%	13%	13%
B8	Time spent creating content, managing campaigns, and communicating with donors without Microsoft 365 Copilot (hours)	2,000-B3	1,328	1,328	1,328
$B9_{Low}$			1%	3%	5%
$B9_{Mid}$	Percent of additional time saved creating content, managing campaigns, and communicating with donors	Survey	5%	10%	15%
$B9_{High}$			15%	20%	25%
B10	Average fully burdened hourly rate for a marketing staff member	Composite	$45	$45	$45
$B11_{Low}$			**$5,976**	**$35,856**	**$77,688**
$B11_{Mid}$	**Subtotal: Savings for marketing/fundraising staff (rounded)**	**B1*B2*B7*B8*B9*B10**	**$29,880**	**$119,520**	**$233,064**
$B11_{High}$			**$89,640**	**$239,040**	**$388,440**
B12	Productivity recapture rate	TEI Standard	50%	50%	50%
Bt_{Low}			**$21,888**	**$106,128**	**$206,844**
Bt_{Mid}	**Organizational transformation: Operations (internal)**	**(B6+B11)*B12**	**$77,940**	**$248,760**	**$452,532**
Bt_{High}			**$139,320**	**$371,520**	**$614,220**
Three-year projected total: $335K to $1.1M			**Three-year projected present value: $263K to $895K**		

ORGANIZATIONAL TRANSFORMATION: OPERATIONS (EXTERNAL)

Evidence and data. The interviewees and survey respondents said they expect Microsoft 365 Copilot to help their organizations reduce their external operational expenses, in particular those for technology and services. In terms of technology, the technology director from the municipal nonprofit shared that their organization’s IT department used Copilot to help manage help desk tickets and that the nonprofit planned to eventually decommission its ticketing system worth about $100,000 annually. They said that over the subsequent years, they also expect to eliminate a safety incident response system worth $15,000, a project management system worth $3,000, and a finance system worth $120,000 — all for Copilot as used with Microsoft 365 solutions like Teams and Excel. Interviewees said other technology solutions that could be replaced include AI-based meeting summary tools, paid genAI tools, augmented writing software, and transcription software.

In terms of services, the CITO from the sports inclusion nonprofit noted that Copilot's quality of translation meant their organization would be able to save on translation costs, for which it had previously used an external partner.

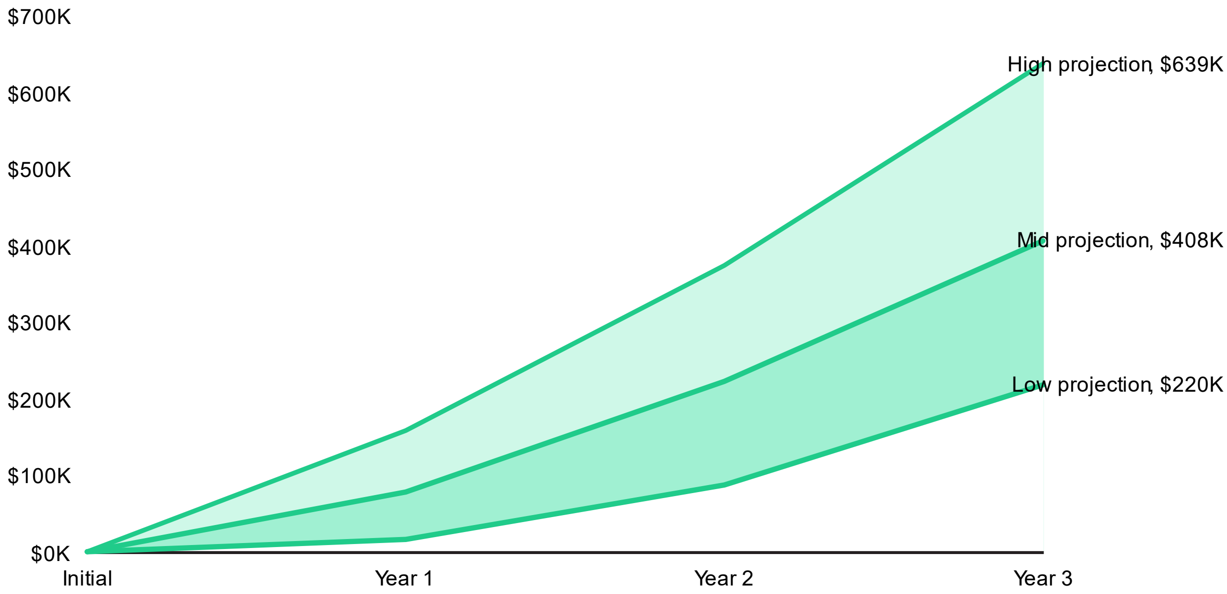
Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- Microsoft 365 Copilot replaces technology that previously cost the composite $250,000 annually.
- Microsoft 365 Copilot replaces services that previously cost the composite $100,000.
- Microsoft 365 Copilot saves the composite 5% to 50% of these costs in the low-case scenario, 25% to 70% in the mid-case scenario, and 50% to 100% in the high-case scenario.

Results. This yields a three-year projected PV ranging from $220,000 (low) to $639,000 (high).

FIGURE 7

Organizational Transformation: Operations (External) Module: Range Of Three-Year Cumulative Impact, PV



Organizational Transformation: Operations (External)					
Ref.	**Metric**	**Source**	**Year 1**	**Year 2**	**Year 3**
C1	Relevant technology costs	Interviews	$250,000	$250,000	$250,000
C2	Relevant services costs	Interviews	$100,000	$100,000	$100,000
$C3_{Low}$			5%	25%	50%
$C3_{Mid}$	Percent reduction	Interviews	25%	50%	70%
$C3_{High}$			50%	75%	100%
Ct_{Low}			**$17,500**	**$87,500**	**$175,000**
Ct_{Mid}	**Organizational transformation: Operations (external)**	**(C1+C2)*C3**	**$87,500**	**$175,000**	**$245,000**

Ct_{High}	**$175,000**	**$262,500**	**$350,000**
Three-year projected total: $280K to $788K		**Three-year projected present value: $220K to $639K**	

ORGANIZATIONAL TRANSFORMATION: PEOPLE AND CULTURE

Evidence and data. The interviewees and survey respondents said they expect Microsoft 365 Copilot to improve employee satisfaction and lead to a quantifiable impact on employee retention and onboarding speed. For example, the technology director from the municipal nonprofit said: "I have led a number of major infrastructure projects at this organization. This is unequivocally the most positively received. Since launch, 90% of the entire employee base has used Copilot at least once without any prescriptive measures."

Beyond excitement around using Microsoft 365 Copilot, the IT lead for an economic development nonprofit shared, "Just the fact that our staff won't be spending hours writing documents or searching and [that they] can get more items crossed off their to-do lists will increase satisfaction and work-life balance. It will also enable them to learn more, be more effective, and be more strategic — all of which will further improve satisfaction."

The survey respondents said Microsoft 365 Copilot could improve employee retention anywhere between 1% and 20% and accelerate onboarding by up to 25%.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

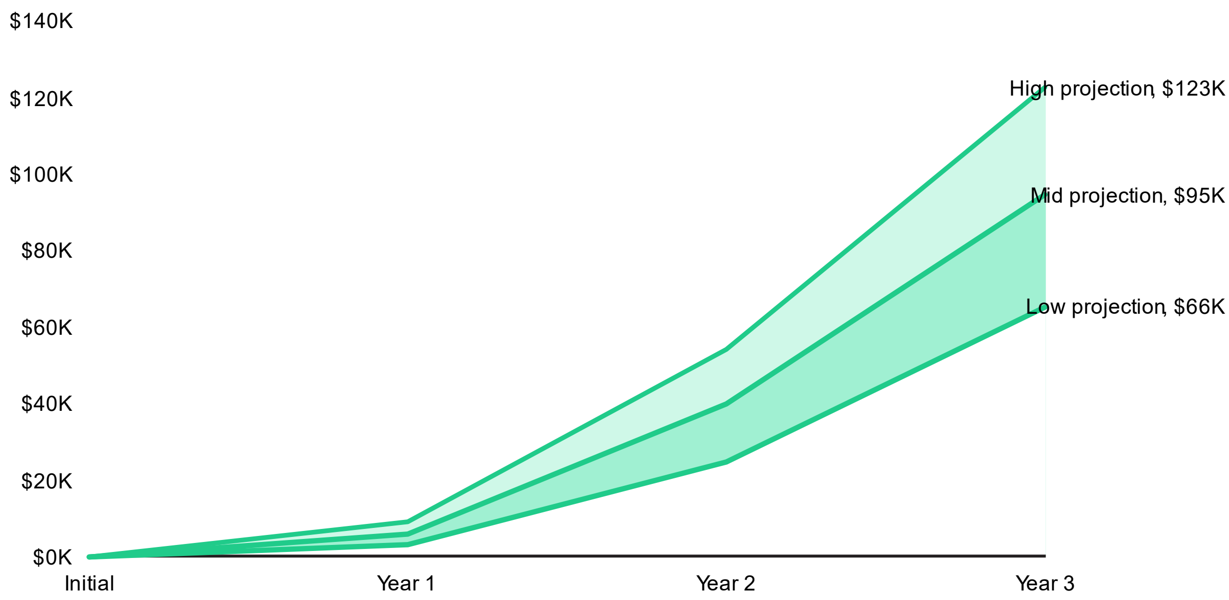
- Before using Microsoft 365 Copilot, the composite had a 10% employee churn rate.
- Microsoft 365 Copilot reduces this churn rate between 0% and 10% in low-case scenario, between 0% and 14% in the mid-case scenario, and between 0% and 18% in the high case scenario. Churn is not impacted during the first year of the composite's Microsoft 365 Copilot adoption because it takes time for improved employee satisfaction to lead to improved retention.
- The average cost to replace a staff member is 30% of their fully burdened annual rate.

- Before using Microsoft 365 Copilot, it took an average of 45 days to onboard a new staff member.
- Microsoft 365 Copilot reduces the time to onboard a new staff member by between 5% and 15% in the low-case scenario, by between 10% and 20% in the mid-case scenario, and by between 15% and 25% in the high-case scenario.

Results. This yields a three-year projected PV ranging from $66,000 (low) to $123,000 (high).

FIGURE 8

Organizational Transformation: People And Culture Module: Range Of Three-Year Cumulative Impact, PV

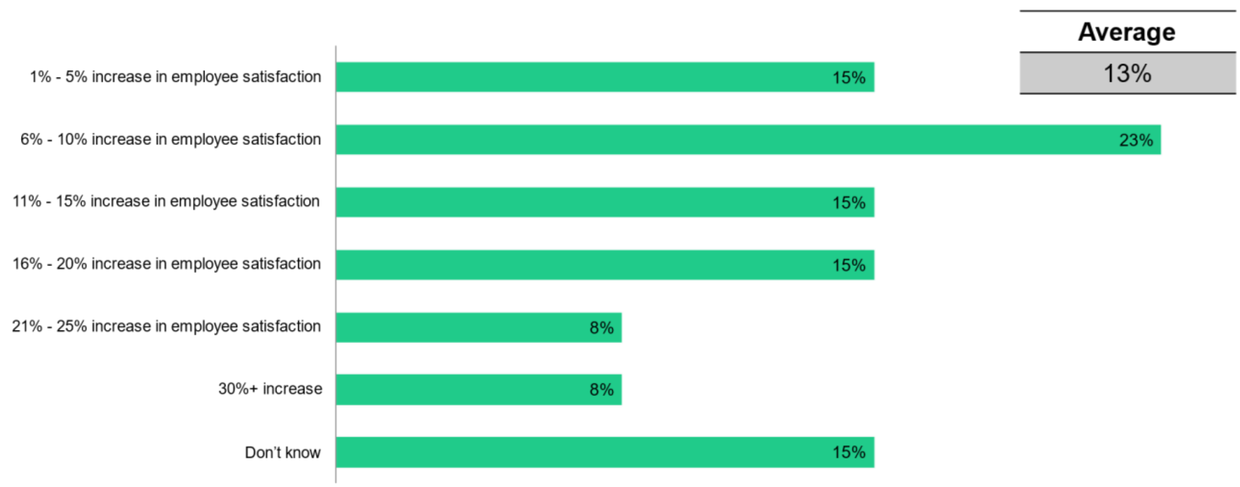


Improved retention from Microsoft 365 Copilot

Up to 18%

FIGURE 9

"How has/will Microsoft 365 Copilot impact employee satisfaction?"



Base: 13 respondents at nonprofit organizations using Microsoft 365 Copilot
Note: Percentages do not total 100 because of rounding.
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, August 2024

Organizational Transformation: People And Culture

Ref.	Metric	Source	Year 1	Year 2	Year 3
D1	Microsoft 365 Copilot users	A1*A2	75	150	200
D2	Employee churn rate before Microsoft 365 Copilot	Composite	10%	10%	10%
$D3_{Low}$			0%	6%	10%
$D3_{Mid}$	Decrease in churn rate from Microsoft 365 Copilot	Interviews and survey	0%	10%	14%

$D3_{High}$			0%	14%	18%
D4	Average cost to hire a replacement staff member	B5*2,000*30%	$15,000	$15,000	$15,000
$D5_{Low}$			**$0**	**$13,500**	**$30,000**
$D5_{Mid}$	**Subtotal: Improved staff retention**	**D1*D2*D3*D4**	**$0**	**$22,500**	**$42,000**
$D5_{High}$			**$0**	**$31,500**	**$54,000**
D6	Time for onboarding before Microsoft 365 Copilot (days)	Composite	45	45	45
$D7_{Low}$			5%	10%	15%
$D7_{Mid}$	Acceleration in onboarding new hires from Microsoft 365 Copilot	Interviews and survey	10%	15%	20%
$D7_{High}$			15%	20%	25%
D8	Fully burdened daily rate for a general staff member	B10*8	$200	$200	$200
$D9_{Low}$			**$3,375**	**$12,690**	**$24,300**
$D9_{Mid}$	**Subtotal: Improved staff onboarding**	**D1*(D2-D2*D3)*D6*D7*D8**	**$6,750**	**$18,225**	**$30,960**
$D9_{High}$			**$10,125**	**$23,220**	**$36,900**
Dt_{Low}			**$3,375**	**$26,190**	**$54,300**
Dt_{Mid}	**Organizational transformation: People and culture**	**D5+D9**	**$6,750**	**$40,725**	**$72,960**
Dt_{High}			**$10,125**	**$54,720**	**$90,900**
	Three-year projected total: $84K to $156K		**Three-year projected present value: $66K to $123K**		

UNQUANTIFIED BENEFITS

Interviewees mentioned the following additional benefits that their organizations experienced but were not able to quantify:

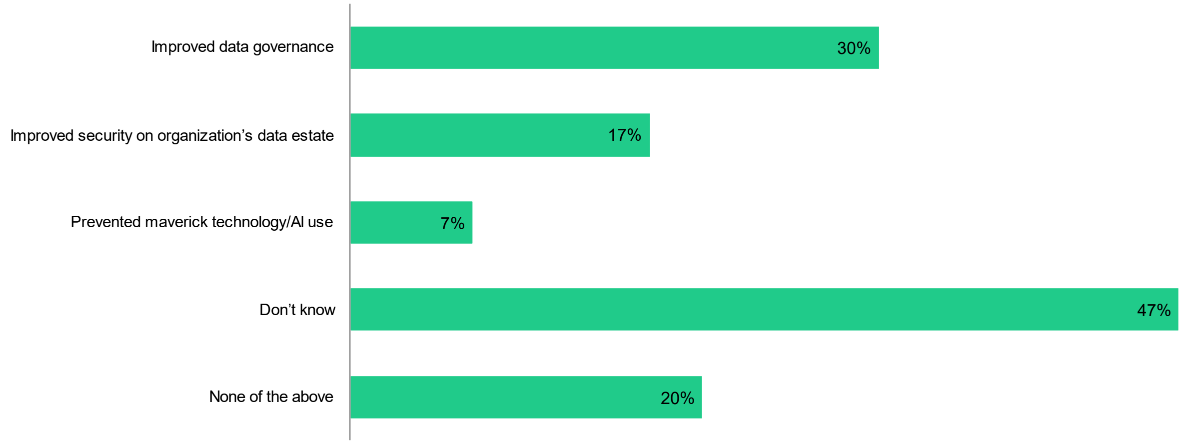
- **Improved data governance and security.** The interviewees noted that Microsoft 365 Copilot would improve their organization's data governance and security compared to their prior states and compared to other tools. For example, the IT lead from the economic development nonprofit said: "We aren't yet sure of our gaps in permissions, accessibility, and security. Deploying Microsoft 365 Copilot will make us sort this out so that we get the best use out of it."

  The CITO for the sports inclusion nonprofit shared: "The two major reasons we chose Microsoft 365 Copilot over other options were that we did not want our data consumed and turned into training data or — even worse — leaked by a third-party generative AI tool. And we wanted to make sure all of our organizational policies were followed in terms of access."

> "Microsoft 365 Copilot has absolutely improved governance and security. All of our data is being kept in our own environment without fear of data leakage."
>
> TECHNOLOGY DIRECTOR, HEALTH NONPROFIT (EMEA)

FIGURE 10

"To the best of your understanding, have/will any of the following improve or be made easier with Microsoft 365 Copilot?"



Base: 30 respondents at nonprofit organizations using Microsoft 365 Copilot
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, August 2024

FLEXIBILITY

The value of flexibility is unique to each customer. There are multiple scenarios in which a customer might implement **Product** and later realize additional uses and business opportunities, including:

- **Improved equity in policies.** Interviewees noted leveraging Microsoft 365 Copilot to improve the equity and fairness of their organizations' policies as they apply to their various stakeholders. The technology director from the municipal nonprofit shared: "We're using Copilot to do a gap analysis of all of our policies from an equity lens to learn where we may be missing the mark. For example, we'll prompt: 'Take this policy and apply it against the special population groups as defined by [a specific authority]. How would this policy impact these groups as written today?' It provides things to think about that we may not have regarding how a policy might not be suitable for one or more of these groups."
- **Using Copilot across other products/solutions.** The interviewees also shared that leveraging other versions of Copilot would further the benefits they were already expected to receive from Microsoft 365 Copilot. For example, the CITO from the sports inclusion nonprofit said, "While we expect to see an uplift in fundraising from Copilot in the productivity suite, we'll see even more once we adopt Copilot for Dynamics 365." The Deputy COO from the charity support nonprofit shared, "We also plan to adopt Copilot Studio, which will allow us to build our own assistants to help our constituents leverage our data and better their ability to fundraise and further their own missions, which furthers ours."

Flexibility would also be quantified when evaluated as part of a specific project (described in more detail in Appendix A).

Analysis Of Costs

Quantified cost data as applied to the composite

Total Costs							
Ref.	**Cost**	**Initial**	**Year 1**	**Year 2**	**Year 3**	**Total**	**Present Value**
Etr	Microsoft 365 Copilot licenses	$0	$28,350	$56,700	$75,600	$160,650	$129,432
Ftr	Implementation and management costs	$336,000	$144,000	$144,000	$144,000	$768,000	$694,107
Gtr	Training and change management costs	$19,200	$15,750	$15,750	$10,500	$61,200	$54,424
	Total costs (risk-adjusted)	$355,200	$188,100	$216,450	$230,100	$989,850	$877,963

MICROSOFT 365 COPILOT LICENSES

Evidence and data. The interviewees and survey respondents each said their organization is paying or expects to pay fees associated with its Microsoft 365 Copilot licenses. Standard pricing applied to all users, which was $30 per user per month. In relation to the cost, interviewees felt that although the cost is high compared to what they were paying for their Microsoft 365 licenses, the return on investment per user is there. The technology director for the health nonprofit in EMEA said: “The return on investment is very positive from our perspective. As long as we get the users we pay for to adopt it, it’s well worth it.”

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite pays licensing costs of $30 per user per month for Microsoft 365 Copilot.

- The composite only deploys licenses to users that adopt Microsoft 365 Copilot. Any licenses not utilized are redeployed to active users.

Risks. The cost of Microsoft 365 Copilot licenses may vary with:

- Any change in the per user monthly rate.
- The adoption rate among deployed licensees.

Results. To account for these risks, Forrester adjusted this cost upward by 5%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $129,000.

Monthly licensing fee

$30 per user

Microsoft 365 Copilot Licenses						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
E1	Microsoft 365 Copilot cost per user per month	Interviews	$30	$30	$30	$30
E2	Total staff members	B1	0	500	500	500
E3	Microsoft 365 Copilot adoption rate	B2	0	15%	30%	40%
Et	Microsoft 365 Copilot licenses	E1*E2*E3*12	$0	$27,000	$54,000	$72,000
	Risk adjustment	↑5%				
Etr	Microsoft 365 Copilot licenses (risk-adjusted)		$0	$28,350	$56,700	$75,600
	Three-year total: $160,650		**Three-year present value: $129,432**			

IMPLEMENTATION AND MANAGEMENT COSTS

Evidence and data. The interviewees shared that their organizations experienced costs or that they expect to experience costs associated with implementation and management of Microsoft 365 Copilot. Implementation costs are mostly associated with data management and governance work, which some interviewees considered change management work and not implementation work. For example, the IT director from the religious nonprofit said: “We wanted to have our data clean and our permissions right before deploying Microsoft 365 Copilot. This way, no one should be able to discover information that they don’t have permission to. We were behind on this, so [we] had to play catchup before we got the benefits of Copilot.”

Some interviewees noted that adoption of Microsoft 365 Copilot would have been easier if their organizations had shifted its data storage to the cloud before deployment, which they said would also likely lead to additional financial benefits. The deputy COO from the charity support nonprofit noted: “If we used OneDrive and SharePoint as our main data stores, implementation would have been much easier. Unfortunately, we don’t.”

Survey respondents said they believe it would take up to two months to implement Microsoft 365 Copilot.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- The composite pays an implementation partner $250,000 to manage the required data management and governance work before deploying Microsoft 365 Copilot.
- Once deployed, the composite needs one full-time equivalent to manage Microsoft 365 Copilot on an ongoing basis.

Risks. The costs of implementation and deployment may vary with:

- Whether the organization self-implements or uses a partner.
- The current state of data governance and permissions.
- The total staff size and breadth of deployment among staff.

Results. To account for these risks, Forrester adjusted this cost upward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $694,000.

Implementation And Management Costs						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
F1	Professional services cost to implement	Interviews	$250,000	$0	$0	$0
F2	IT FTEs needed to implement and manage Copilot	Interviews	0.25	1.00	1.00	1.00
F3	Fully burdened annual rate for an IT FTE	TEI Standard	$120,000	$120,000	$120,000	$120,000
Ft	Implementation and management costs	F1+(F2*F3)	$280,000	$120,000	$120,000	$120,000
	Risk adjustment	↑20%				
Ftr	Implementation and management costs (risk-adjusted)		$336,000	$144,000	$144,000	$144,000
	Three-year total: $768,000			**Three-year present value: $694,107**		

TRAINING AND CHANGE MANAGEMENT COSTS

Evidence and data. The interviewees and survey respondents shared that their organizations experienced or they expect to experience costs associated with training and change management. Interviewees typically said the same and suggested using a “train the trainer” approach in which an organization selects a small group of early adopters/champions/evangelists to train deeply on Microsoft 365 Copilot. This group then trains additional users from their selected cohorts of staff. The interviewees noted that their organizations also offer training online via live and on-demand videos. Although these sessions are mostly between 30 minutes and 2 hours in length, users still need the training from trainers to reap the full benefits of Microsoft 365 Copilot.

Interviewees also noted incurring costs associated with developing materials such as SharePoint sites, internal communications campaigns, and lunch and learns, in order to spread the word that Microsoft 365 Copilot would soon be available. These materials helped improve adoption, making the most of the nonprofits' investments. They also served as additional training for eventual adopters. Some interviewees' organizations included data management and governance work (included as implementation costs in this study) as a part of their change management costs.

Modeling and assumptions. Based on the interviews, Forrester assumes the following about the composite organization:

- Each user needs 10 hours of training in the initial period to become proficient enough with Microsoft 365 Copilot to receive the benefits relayed above. Because of efficiencies gained in delivering training and utilizing a train the trainee method, subsequent trainees need only 7 hours of training to become proficient with Microsoft 365 Copilot.
- The composite pays a change management materials development cost of $16,000.

Risks. The cost of training and change management may vary with:

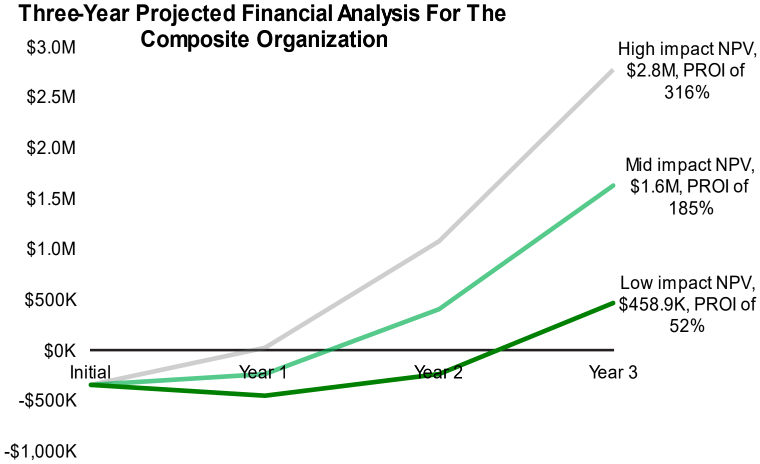
- The total number of staff members who need training in any given year.
- The cost to develop change management materials.

Results. To account for these risks, Forrester adjusted this cost upward by 20%, yielding a three-year, risk-adjusted total PV (discounted at 10%) of $54,000.

Implementation And Management Costs						
Ref.	**Metric**	**Source**	**Initial**	**Year 1**	**Year 2**	**Year 3**
G1	Employees who need training	Composite	0	75	75	50
G2	Time spent training per employee (hours)	Interviews	10	7	7	7
G3	Average fully burdened hourly rate for a general staff member	B5	$25	$25	$25	$25
G4	Cost to develop change management materials	Interviews	$16,000	$0	$0	$0
Gt	Training and change management costs	G1*G2*G3+G4	$16,000	$13,125	$13,125	$8,750
	Risk adjustment	↑20%				
Gtr	Training and change management costs (risk-adjusted)		$19,200	$15,750	$15,750	$10,500
	Three-year total: $61,200			**Three-year present value: $54,424**		

Financial Summary

Consolidated Three-Year Risk-Adjusted Metrics



The financial results calculated in the Benefits and Costs sections can be used to determine the ROI, NPV, and payback period for the composite organization's investment. Forrester assumes a yearly discount rate of 10% for this analysis.

These risk-adjusted ROI, NPV, and payback period values are determined by applying risk-adjustment factors to the unadjusted results in each Benefit and Cost section.

Cash Flow Analysis (Risk-Adjusted)

	Initial	Year 1	Year 2	Year 3	Total	Present Value
Total costs	($355,200)	($188,100)	($216,450)	($230,100)	($989,850)	($877,963)
Total benefits (low)	$0	$69,763	$489,818	$1,156,144	$1,715,725	$1,336,857
Total benefits (mid)	$0	$307,190	$1,004,485	$1,850,492	$3,162,167	$2,499,718
Total benefits (high)	$0	$594,445	$1,498,740	$2,495,120	$4,588,305	$3,653,652
Net benefits (low)	($355,200)	($118,337)	$273,368	$926,044	$725,875	$458,894
Net benefits (mid)	($355,200)	$119,090	$788,035	$1,620,392	$2,172,317	$1,621,755
Net benefits (high)	($355,200)	$406,345	$1,282,290	$2,265,020	$3,598,455	$2,775,689

PROI (low)	52%
PROI (mid)	185%
PROI (high)	316%

APPENDIX A: NEW TECHNOLOGY: PROJECTED TOTAL ECONOMIC IMPACT

New Technology: Projected Total Economic Impact (New Tech TEI) is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The New Tech TEI methodology helps companies demonstrate and justify the projected tangible value of IT initiatives to both senior management and other key business stakeholders.

Total Economic Impact Approach

Projected Benefits represent the projected value to be delivered to the business by the product. The New Tech TEI methodology places equal weight on the measure of projected benefits and the measure of projected costs, allowing for a full examination of the effect of the technology on the entire organization.

Projected Costs consider all expenses necessary to deliver the proposed value, or benefits, of the product. The projected cost category within New Tech TEI captures incremental costs over the existing environment for ongoing costs associated with the solution.

Flexibility represents the strategic value that can be obtained for some future additional investment building on top of the initial investment already made. Having the ability to capture that benefit has a PV that can be estimated.

Risks measure the uncertainty of benefit and cost estimates given: 1) the likelihood that estimates will meet original projections and 2) the likelihood that estimates will be tracked over time. TEI risk factors are based on "triangular distribution."

Present Value (PV)

The present or current value of (discounted) cost and benefit estimates given at an interest rate (the discount rate). The PV of costs and benefits feed into the total NPV of cash flows.

Net Present Value (NPV)

The projected present or current value of (discounted) future net cash flows given an interest rate (the discount rate). A positive project NPV normally indicates that the investment should be made unless other projects have higher NPVs.

Projected Return On Investment (PROI)

A project's expected return in percentage terms. ROI is calculated by dividing net benefits (benefits less costs) by costs.

Discount Rate

The interest rate used in cash flow analysis to take into account the time value of money. Organizations typically use discount rates between 8% and 16%.

The initial investment column contains costs incurred at "time 0" or at the beginning of Year 1 that are not discounted. All other cash flows are discounted using the discount rate at the end of the year. PV calculations are calculated for each total cost and benefit estimate. NPV calculations in the summary tables are the sum of the initial investment and the discounted cash flows in each year. Sums and present value calculations of the Total Benefits, Total Costs, and Cash Flow tables may not exactly add up, as some rounding may occur.

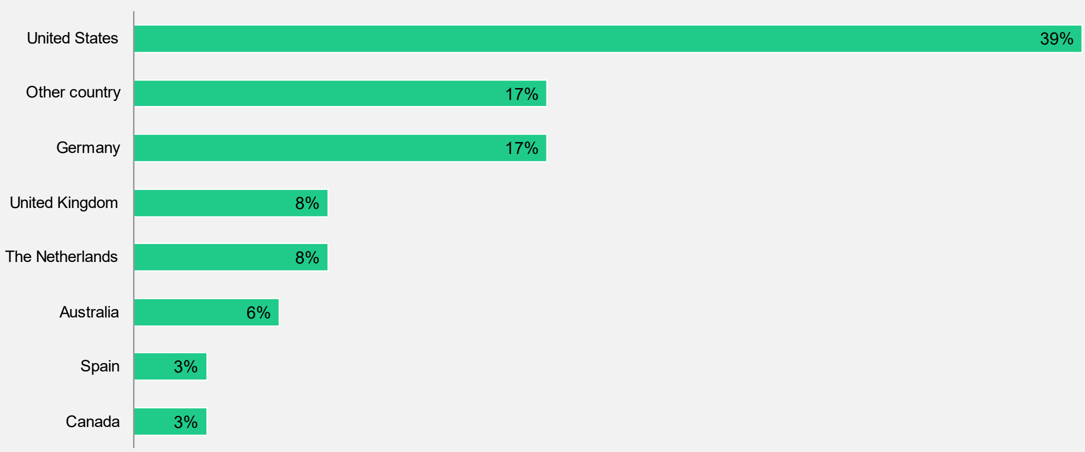
APPENDIX B: INTERVIEW AND SURVEY DEMOGRAPHICS

Interviews			
Role	**Type of nonprofit**	**Region**	**Total staff**
CITO	Sports inclusion nonprofit	Global	300
Technology director	Municipal nonprofit	North America	340
CEO	Technology nonprofit	North America	400
IT director	Religious nonprofit	Global	600
Deputy COO	Charity support nonprofit	Global	650
IT lead	Economic development nonprofit	Global	850
Technology director	Health nonprofit	EMEA	3,300
Development coordinator	Health nonprofit	North America	7,000

Survey Demographics

FIGURE 11

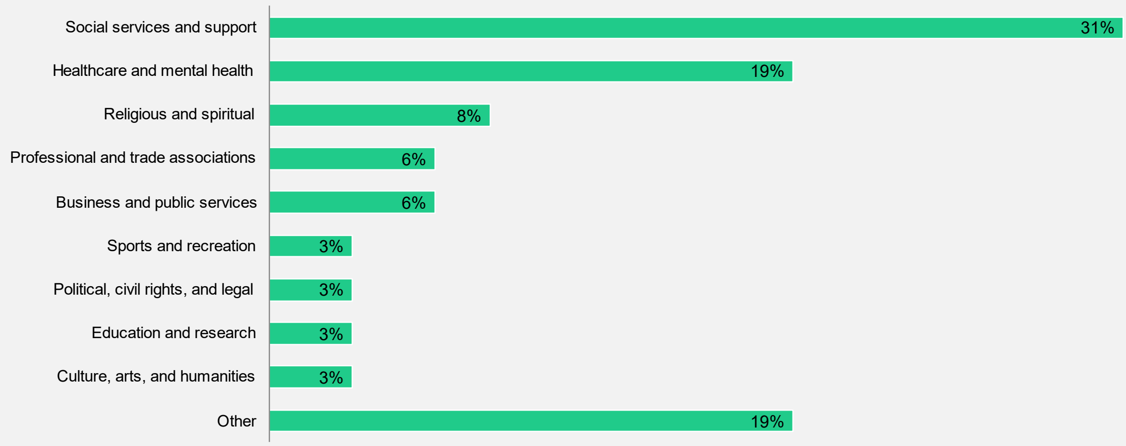
"In which country are you located?"



Base: 36 respondents at nonprofit organizations using Microsoft 365 Copilot
Note: Percentages do not total 10 because of rounding.
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, August 2024

FIGURE 12

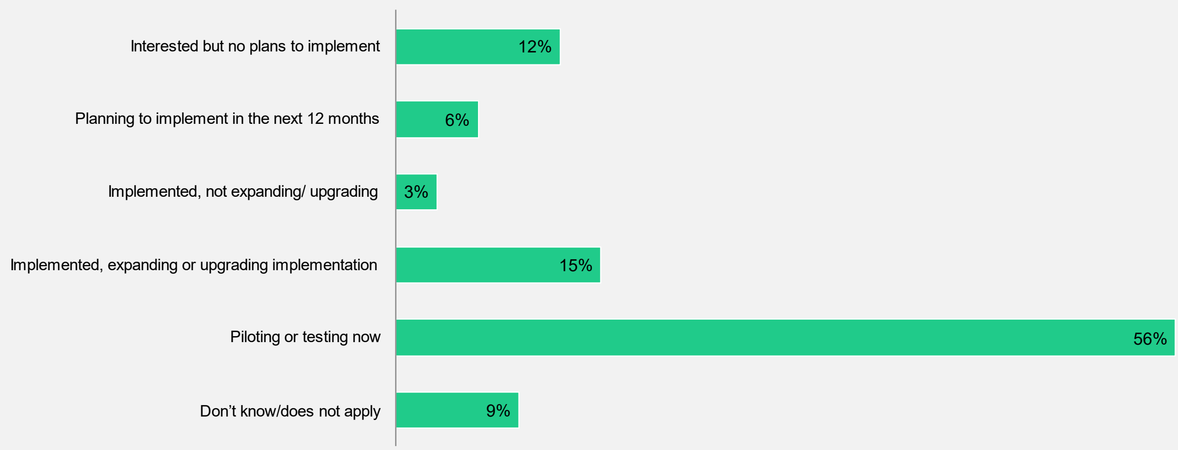
"Which of the following best describes the industry to which your organization belongs?"



Base: 36 respondents at nonprofit organizations using Microsoft 365 Copilot
Note: Percentages do not total 100 because of rounding.
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, August 2024

FIGURE 13

"What are your company's plans when it comes to AI solutions?"



Base: 34 respondents at nonprofit organizations using Microsoft 365 Copilot
Note: Percentages do not total 100 because of rounding.
Source: A commissioned study conducted by Forrester Consulting on behalf of Microsoft, August 2024

APPENDIX C: ENDNOTES

[1] Total Economic Impact is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders.

[2] Microsoft recruited a variety of nonprofit account types in order to gather data from a diverse base of nonprofit organizations using Microsoft 365 Copilot. The nonprofits are headquartered across North America and Europe and are focused on a wide array of missions from serving the local community to establishing global competitive games for persons with disabilities. Each survey respondent's organization was in the preliminary stages of exploring use of Microsoft 365 Copilot, but none had deployed the technology widely.

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