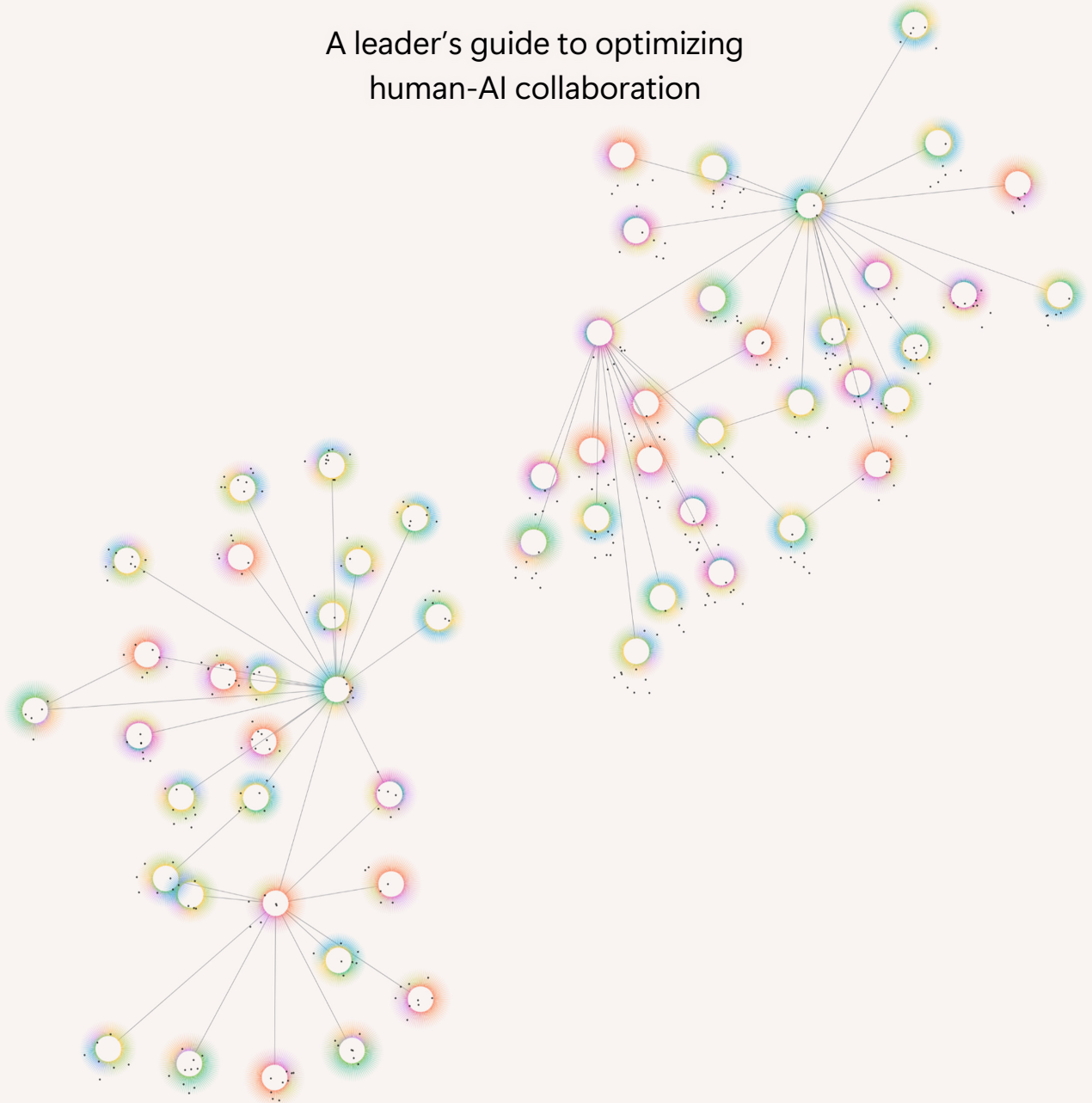


LEADING AT THE EDGE | FRONTIER HOW-TO

# Rearchitecting workflows

A leader's guide to optimizing human-AI collaboration



2026 WORK TREND INDEX ANNUAL REPORT

**The shift to AI-first work is already underway—and it's expanding what organizations can achieve. Yet according to our 2026 Work Trend Index Annual Report, only 1 in 4 AI users<sup>1</sup> surveyed say that their organization has clear and consistent leadership alignment on how to make it real, limiting how far that progress can scale.**

**Leaders who move ahead don't just adopt AI—they rethink how work gets done end to end: what to stop, what AI should own, and where human judgment matters most. Here's how to begin that journey.**

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<sup>1</sup> Source: 2026 Work Trend Index Annual Report

## Start with one workflow that matters

If your team can answer “yes” to all three questions, you’ve chosen a good option for redesign.

- 1 Is this a high-impact, recurring workflow (not a one-off)?
- 2 Do you have identity controls for agents?
- 3 Who is accountable when an agent makes a mistake?

## Make the workflow visible

When organizational support lags, employees move slower and lose confidence: the Work Trend Index found that workers with misaligned leadership are less likely than workers with aligned leadership to trust AI for important work (**56% vs. 77%**), or know how to integrate it into workflows (**62% vs. 84%**).<sup>2</sup>

Making the workflow visible can help turn isolated experimentation into a shared way of working. Here’s what you need.

- 1 **Workflow view:** the main steps from start to finish, including handoffs
- 2 **Friction view:** where work stalls—waiting, rework, unclear inputs/outputs
- 3 **Redesign shortlist:** the top-priority changes most likely to move outcomes

## Replace assumptions with observation

A workflow on paper rarely matches the workflow in practice. Follow one representative example end to end—a specific request, ticket, or decision moving through real hands—and watch where it slows or stalls. Ask the people closest to the work what’s harder than it should be; the answers could be different from what typically gets reported up. As our Work Trend Index found, Frontier Professionals are nearly twice as likely as other AI users to say their teams brainstorm and refine business processes together to identify AI opportunities (63% vs. 32%)<sup>3</sup>—a sign that the friction worth redesigning shows up most clearly when the people doing the work help name it.

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<sup>2-3</sup> Source: 2026 Work Trend Index Annual Report

## In practice: Microsoft Product Development

Here's an example of what it looks like when a team redesigns a real workflow end-to-end.

### The challenge

Product development teams at Microsoft operated in rigid, role-defined silos—engineers, product managers, designers, and data scientists. Work moved through sequential handoffs, and AI was used only in isolated, individual experiments. This fragmentation slowed delivery and limited AI impact.

Start by making that accountability explicit in every workflow—what the agent does, what the human owns, and where decisions sit. Start by mapping that accountability explicit in every workflow—what the agent does, what the human owns, and where decisions sit.

### The approach

To address these issues, the product dev employees participated in Camp AIR, a three-week-long internal program launched as a deliberate operating-model intervention. Leadership provided protected time, internal coaches, and a shared portfolio of AI tools and agents. As one leader put it, “For this period of time my priority is not delivering the feature I’m working on—my priority is working differently.” Participants mapped their workflows, surfaced friction points, and redesigned how work moved—shifting from static, role-based handoffs to collaborative, parallel execution. Agents were treated as team-level collaborators, supporting everything from requirements synthesis to documentation and testing. Daily standups and retrospectives focused on how work was changing, not just what was delivered.

### The impact

Early pilot teams surveyed before and after Camp AIR reported that product cycles compressed from months to weeks. Prototyping and validation accelerated, with the ability to test concepts in just days. Human-agent teams emerged, with AI handling routine synthesis and documentation, freeing humans for judgment and quality oversight.

### Lesson for leaders

Make workflow redesign a team event, not an individual activity: carve out time away from daily responsibilities, create shared working rhythms, and let the new practices become the default way work runs.

## Four workflow redesign moves leaders can use

### Cut



Eliminate steps that don't change outcomes

### Combine



Reduce handoffs and queues

### Standardize



Clarify inputs, outputs, and what "done" means

### Clarify



Make delays and exceptions visible

## Make decision rights explicit

The number of active agents in the Microsoft 365 ecosystem has grown **15x year over year**, rising to **18x** in large enterprises.<sup>4</sup>

That makes it critical to decide where humans lead and where AI executes, then make it clear in the workflow. Use three zones: **Human-led** (judgment, accountability, exceptions), **Human + AI** (AI accelerates analysis; people own outcomes), and **AI-run** (AI executes repeatable work within defined boundaries; people set direction and quality thresholds).

Key questions for leaders:

- 1 **What must stay human-led because it carries accountability or risk?**
- 2 **What is repeatable enough for AI to execute reliably with boundaries?**
- 3 **Where are checkpoints needed so outcomes remain trustworthy?**

<sup>4</sup> Source: 2026 Work Trend Index Annual Report

## In practice: Microsoft Cloud Supply Chain

Here's how another Microsoft team used workflow redesign to unlock AI gains.

### The challenge

The Cloud Supply Chain team was managing planning, engineering, and fulfillment work across fragmented systems that required employees to manually retrieve operational data, compile reports, and investigate issues before acting—slowing response times and putting pressure on teams during demand spikes. For example, engineers often spent up to two hours just searching for basic parts information before they could start responding.

### The approach

Instead of automating individual tasks within functions, the team analyzed how work moved end-to-end across planning, engineering, and fulfillment, and redesigned those workflows to remove inefficiencies before introducing AI and streamlined. Next, they embedded AI and agents to take on data retrieval, first-pass analysis, triage, and other repetitive activities. Fulfillment teams investigating supply chain issues are now supported by AI that retrieves operational data and relevant documentation, letting them focus on resolving exceptions and making decisions. Today, a unified AI platform connects supply chain applications so workflows can operate across previously siloed tools.

### The impact

**32,200+ hours** saved; **23% reduction** in investigation time in one workflow; handled a **3× spike** in incident tickets without adding headcount.<sup>5</sup>

### Lesson for leaders

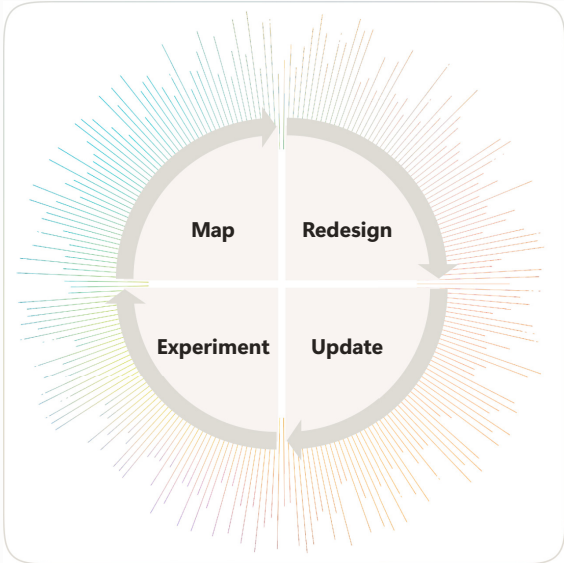
Redesign workflows before applying AI. Treat automation as an opportunity to rethink how work moves across functions—not just how tasks are completed—so employees can shift from stitching together information to reviewing outputs, resolving exceptions, and making faster decisions.

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<sup>5</sup> Results are based on observed telemetry and may vary due to instrumentation, sampling, or data-processing limitations.

## Make redesign repeatable

Treat the workflow as a living artifact—revisit it as you test changes, measure what improves, and update what “good” looks like



## What’s next

The flywheel is the point: each cycle makes the next one easier, faster, and more consistent. Our Work Trend Index describes the organizations pulling ahead as the ones that capture what teams learn in execution and turn it into shared practice, where progress compounds instead of stalling. Which makes what happens after adoption the differentiator: redesign work so the organization can keep learning at speed.

[Read the 2026 Work Trend Index Annual Report](#)

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