Microsoft Copilot: Free Version VS Paid Version

By now, many of you may have received information regarding Copilot 365. As you evaluate the needs and potential impact of the tool for your department, please ensure that individual licenses are purchased based on need, while supporting innovation and managing cost responsibly. Note the chart below that outlines the differences between Copilot 365 versus the Free Copilot Chat which is available to everyone.

Dimension	Copilot 365 (Paid)	Free Copilot Chat
Workflow Integration	Embedded in Word, Excel, PowerPoint, Outlook, and Teams. Enables real-time drafting, summarizing, and data analysis directly in your work tools.	Web-based only. Requires manual copy-paste between tools, which interrupts workflow.
Data Context	Accesses your calendar, emails, Teams chats, OneDrive, and SharePoint. Can summarize meetings, draft vendor communications, and analyze procurement data.	No access to internal data. Limited to general-purpose tasks and public web content.
Time Savings	Automates repetitive tasks like meeting recaps, document drafting, and spreadsheet analysis. Reduces manual effort significantly.	Useful for brainstorming and quick answers, but requires manual follow-up for execution.
Collaboration	Supports shared documents and Teams channels. Can summarize group chats and generate action items.	No collaboration features. Not integrated with Teams or shared files.
Use Case Fit for You	Ideal for procurement workflows, vendor intake, DSDP support, and cross-departmental collaboration.	Limited to ideation or research tasks that don't require internal data.

Here is a framework to assist you may use to assist with decisions in your unit:

Anchor in Purpose and Value
- Ask: What problem are we solving with Copilot 365?
- Frame: Copilot is a powerful tool—but only when it's used to streamline workflows, enhance collaboration, or reduce manual effort.
- Example: If a team frequently drafts procurement documents, summarizes meetings, or analyzes vendor data, Copilot 365 may offer strong ROI.

Evaluate Actual Usage and Readiness
- Encourage teams to reflect: Have they used the free Copilot Chat? What did they learn from it?
- Use the free version as a testbed before committing to the paid license.
- Ask for examples of how Copilot has improved productivity or decision-making.

Consider Team-Specific Needs
- Not every role requires Copilot 365. Some may benefit more from training or process improvements.
- Empower leads to decide based on their team's workflows, not peer pressure or perceived expectations.

Emphasize Cost Awareness
- Cost per license: $346/year.
- Encourage department leads to consider this against other software or training investments.

Require a Justification Brief
- Ask each lead to submit a short rationale:
- What will Copilot 365 be used for?
- What outcomes are expected?
- How will success be measured?

This encourages thoughtful decision-making and provides documentation for future audits or renewals.