

Deciphering Copilot: Unravelling Data Security and Governance in Microsoft 365

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Agenda

1

Are you worried about
Copilot for Microsoft 365?

2

Is your data ready for
Copilot?

3

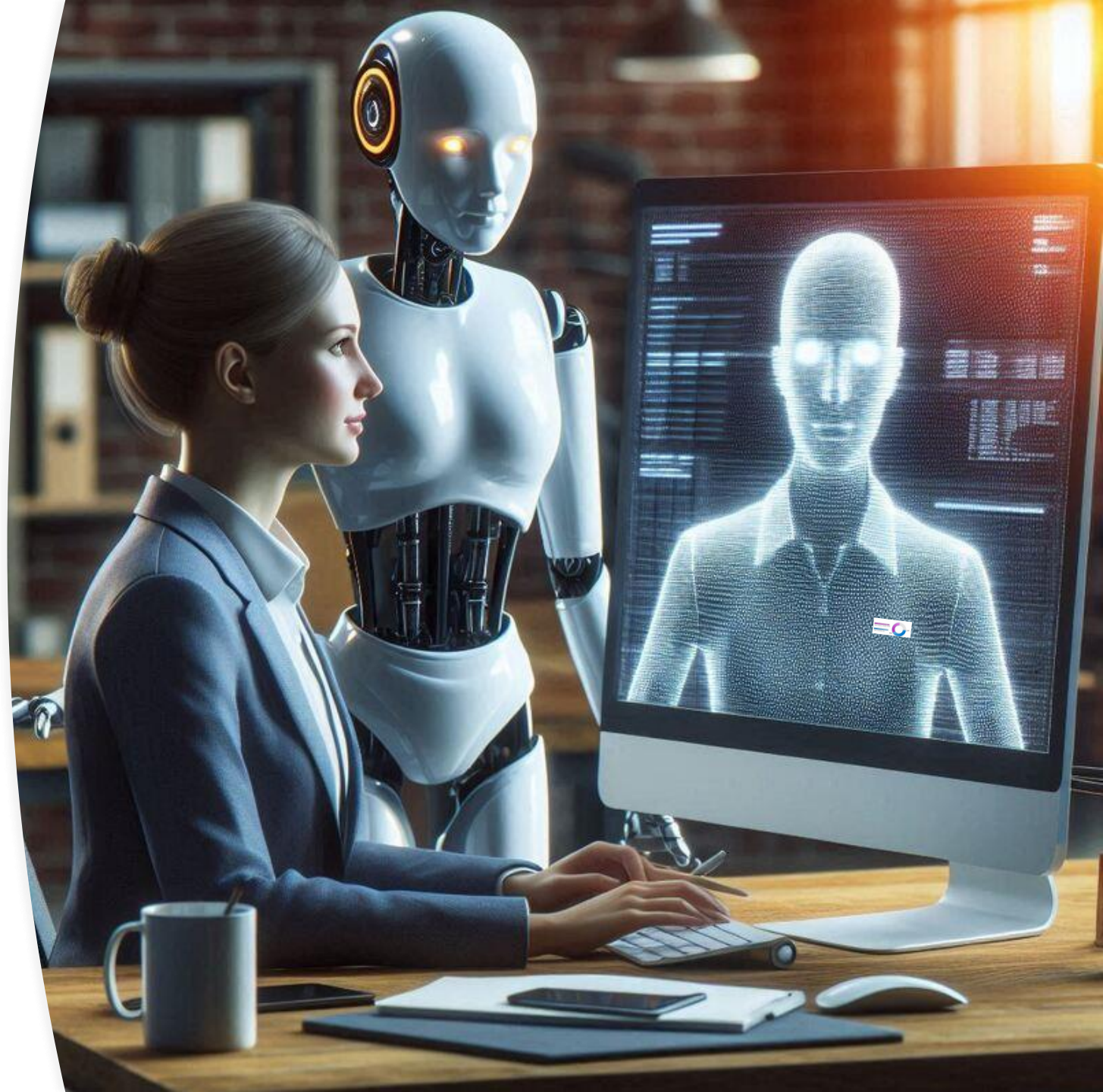
10 steps to secure and
govern your data

**Are you worried
about Copilot for
Microsoft 365?**



The issue

Employees want AI
at work - and they
won't wait for their
organisation to
catch up



[illegible]

Microsoft & LinkedIn Work Trend Index Report

Three out of four people already use AI at work

75% of people are
already using AI at work

46% of them started using
it less than 6 months ago



ISMG Generative AI Survey

CISO Concerns



Insufficient visibility and controls



of leaders cited leakage of sensitive data as their main concern.



Overreliance and ethical concerns on AI outputs



of leaders worried about ingress of inaccurate data and hallucinations; 57% concerned about harmful, biased, or distressing output.



Increased regulatory liability and uncertainty



of leaders lack understanding of how AI is and will be regulated, amongst different industries.

48%

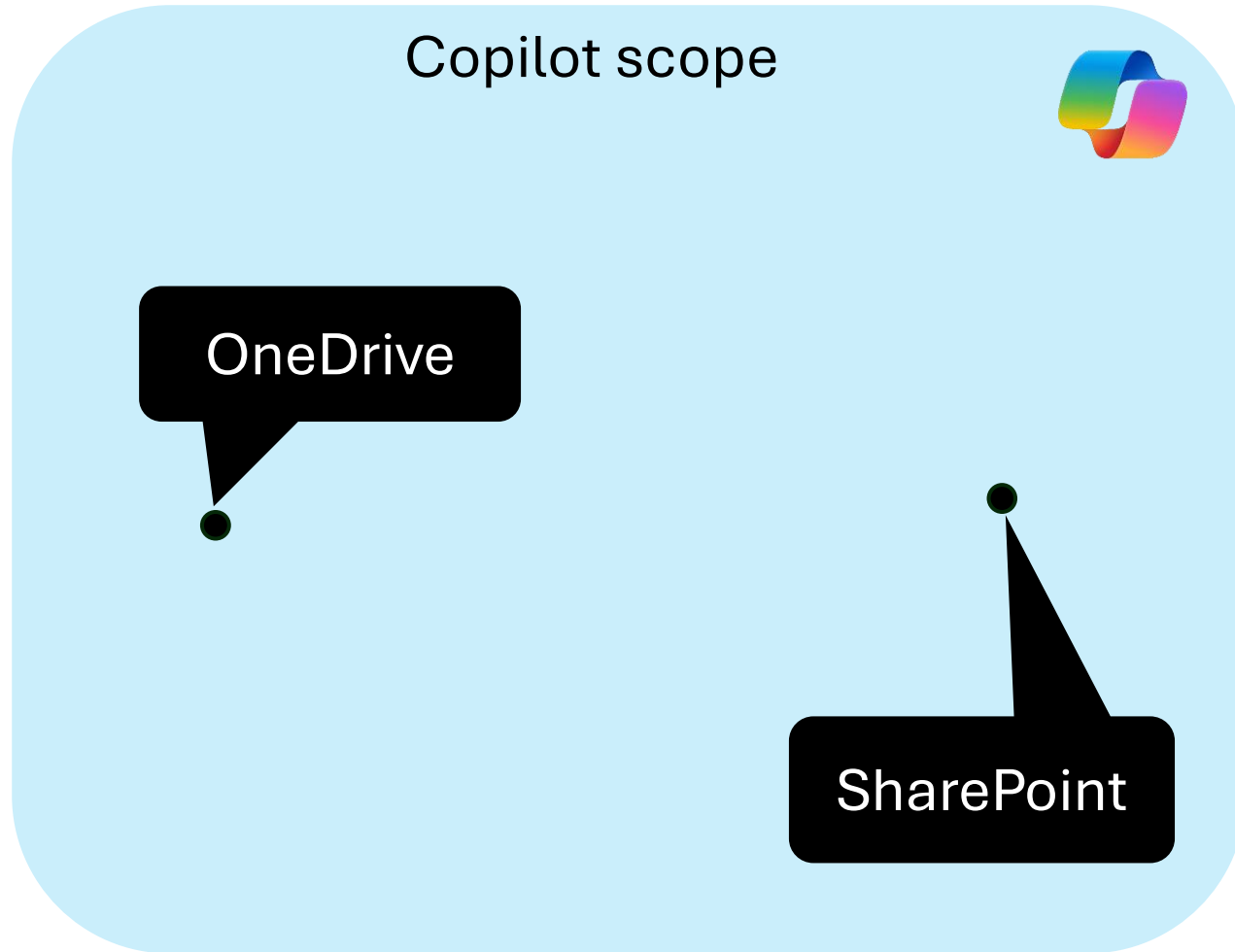
of leaders expect to continue banning all use of AI in workplace.

* % of CISOs and Security Decision Makers
([ISMG First Annual Generative AI Study: Business rewards vs. Security Risks](#))

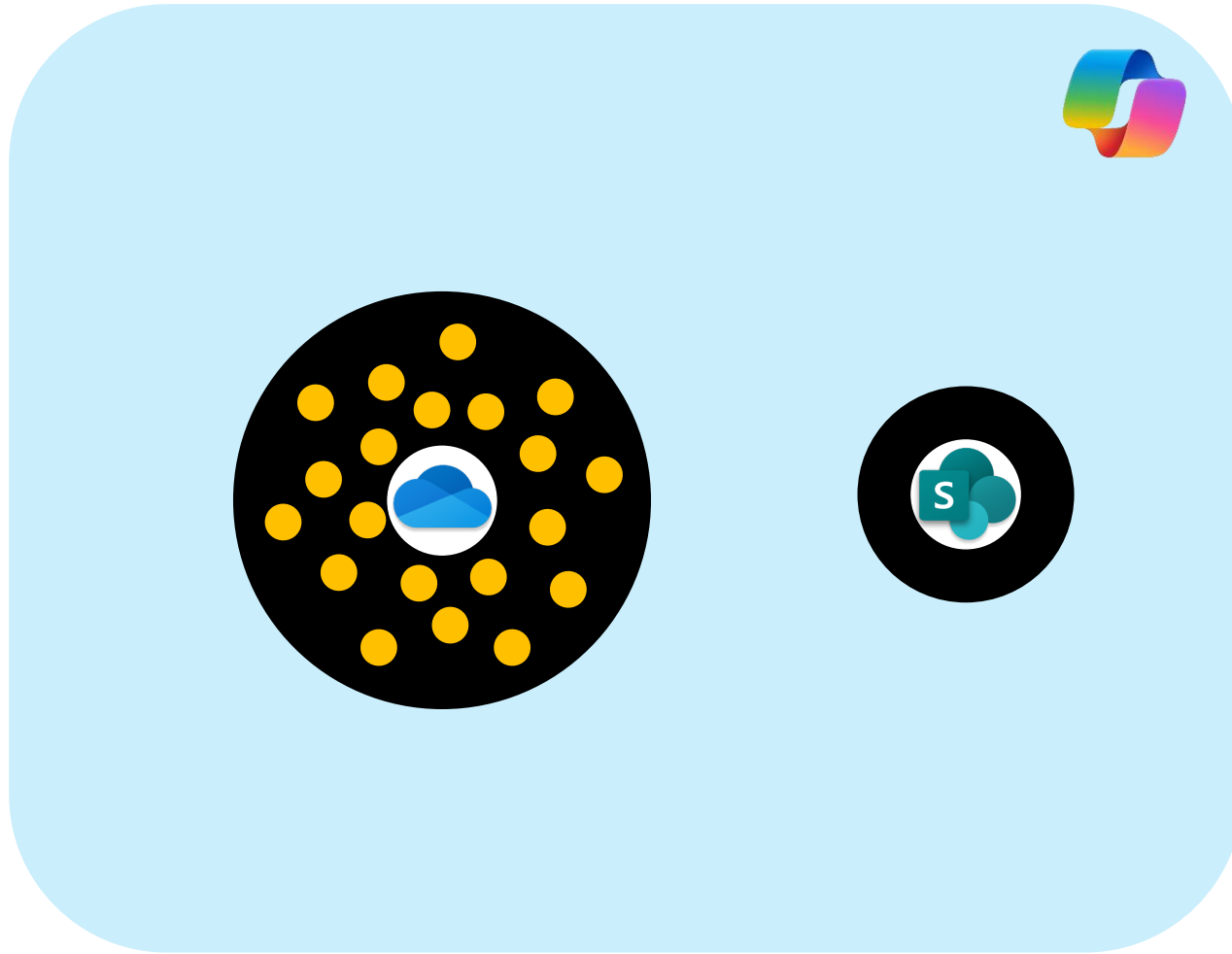
**Is your data
ready for
Copilot?**



Most of your data is stored outside Microsoft 365



No rule book on what to store where

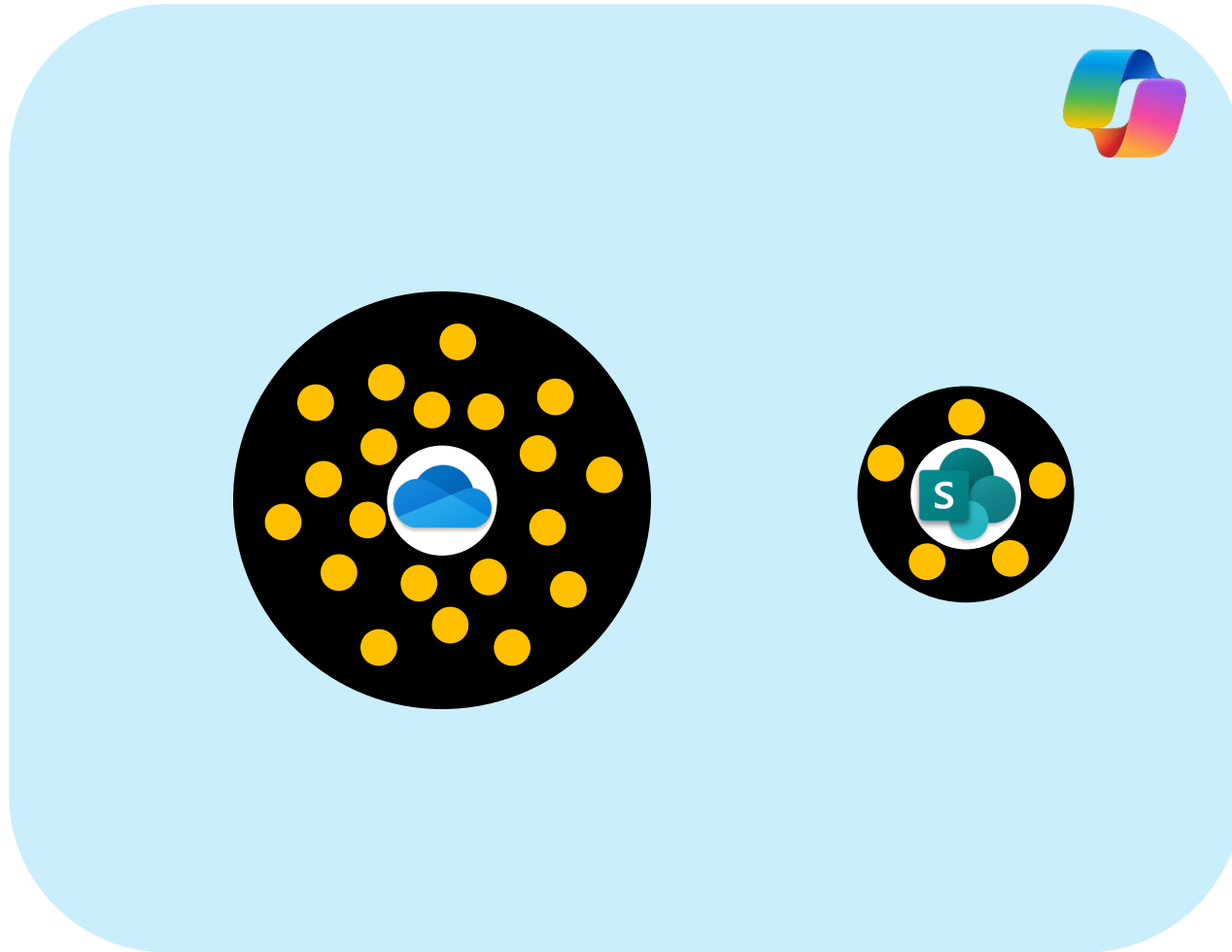


Ungoverned content - Danger of revealing too much



Copilot cannot reach - Danger of poor data quality

Pioneers start creating ungoverned Teams & Sites



Ungoverned content - Danger of revealing too much



Copilot cannot reach - Danger of poor data quality

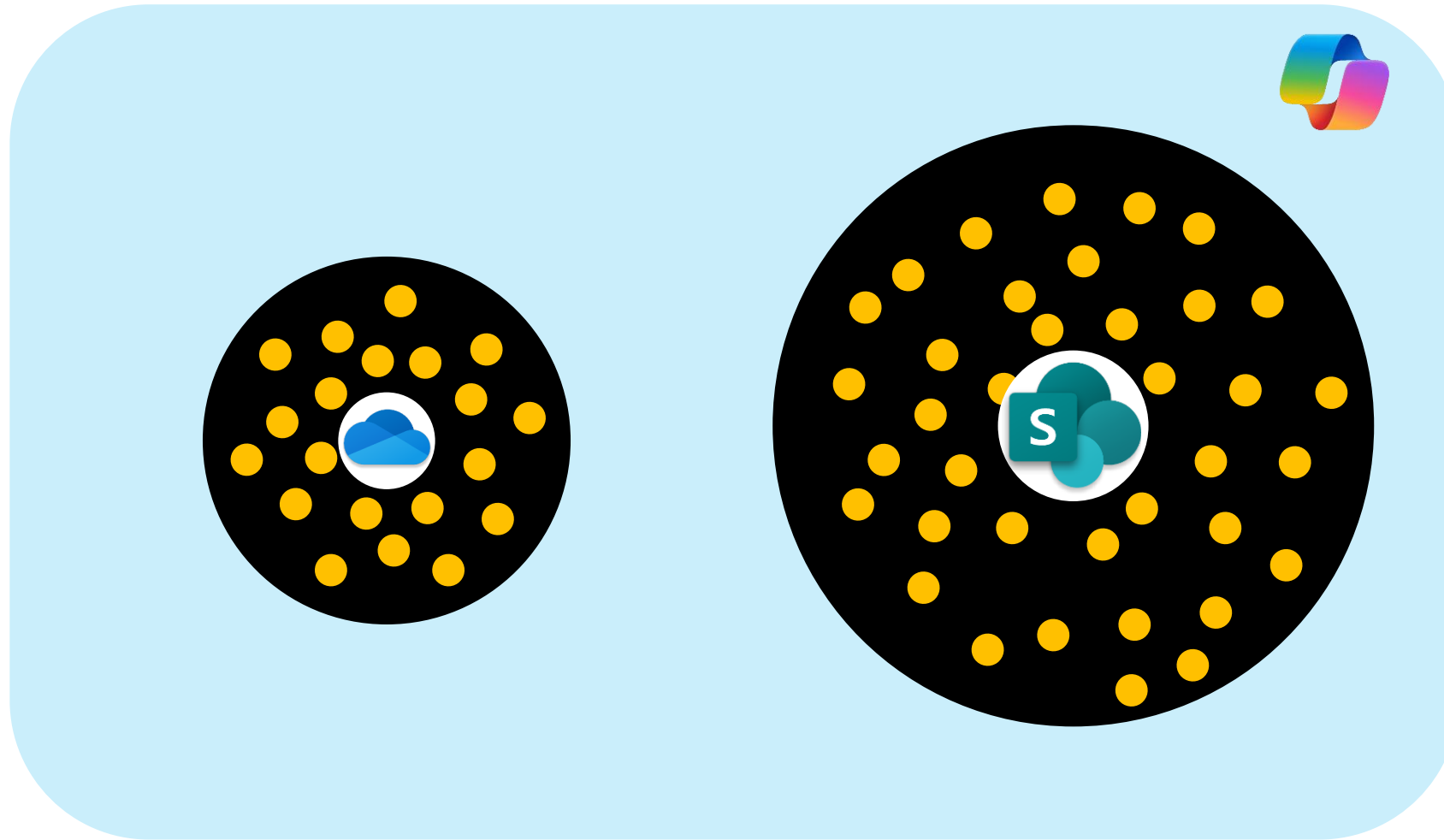
You create public Teams with default configuration



Ungoverned content - Danger of revealing too much

Copilot cannot reach - Danger of poor data quality

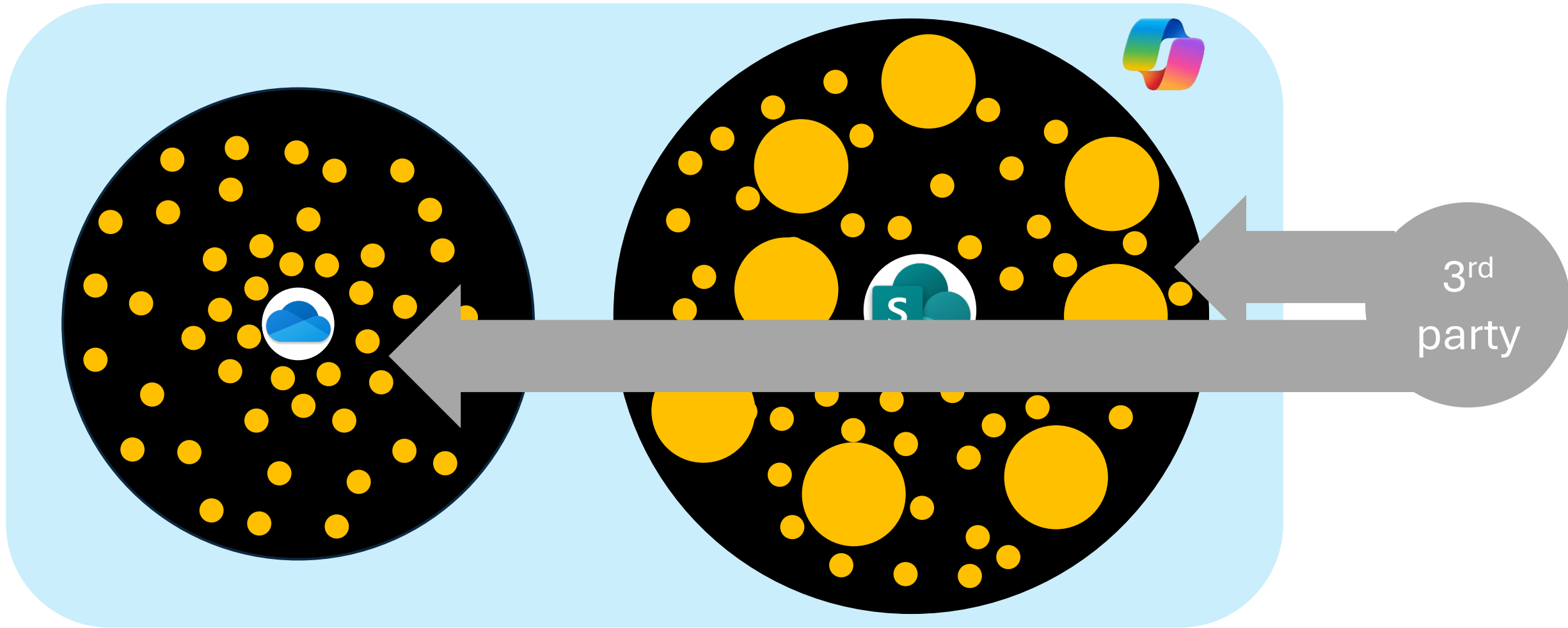
You have ungoverned file sharing



Ungoverned content - Danger of revealing too much

Copilot cannot reach - Danger of poor data quality

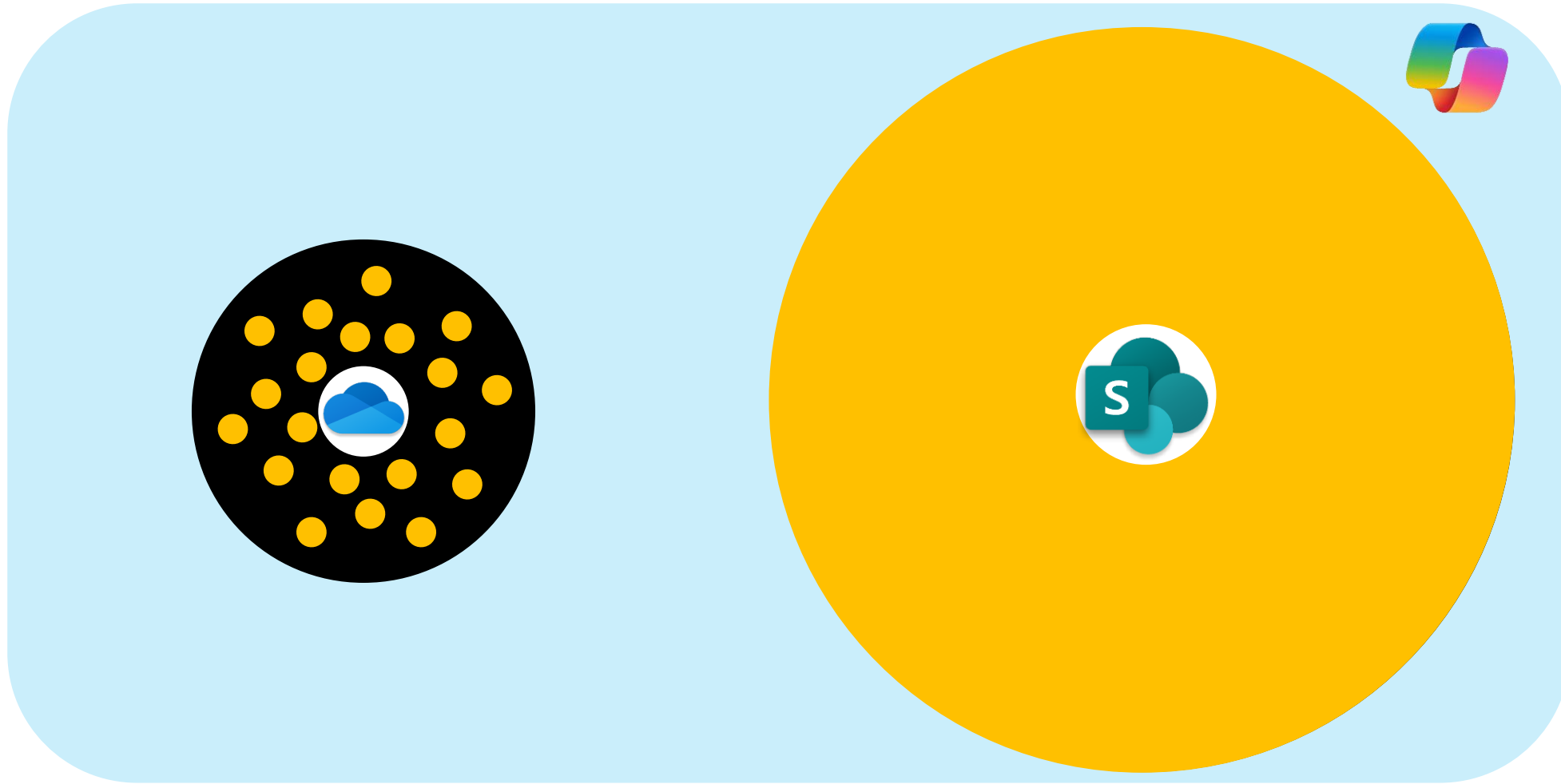
You migrate all your historic data into Microsoft 365



Ungoverned content - Danger of revealing too much

Copilot cannot reach - Danger of poor data quality

Your Admins are owners of all groups, Teams & sites



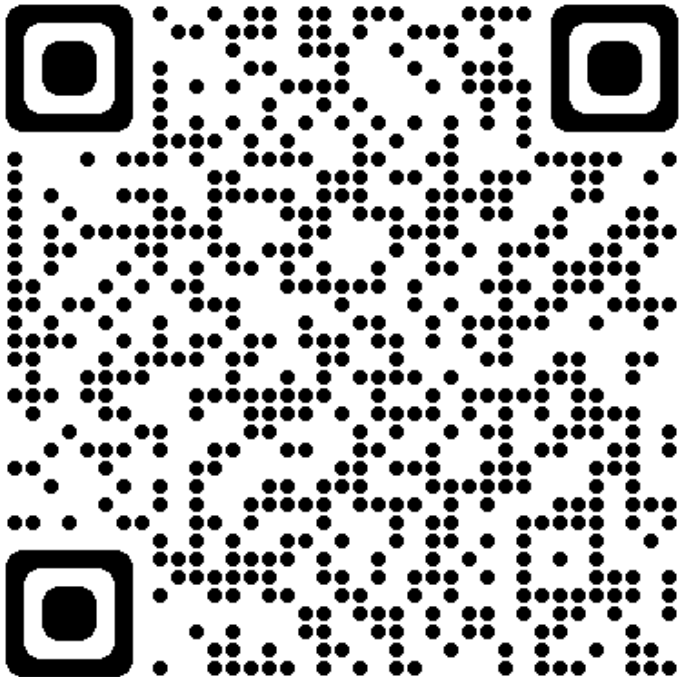
Ungoverned content - Danger of revealing too much

You have implemented data security and governance



Governed content – Just enough access and just enough permissions

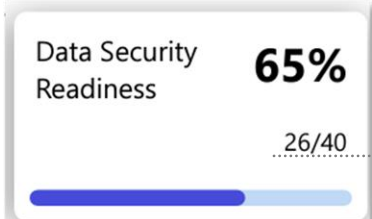
Copilot for Microsoft 365 Optimization Assessment



Solution Assessment Program
(microsoft.com)

Determine your deployment path

Data Security readiness score	License profile	Deployment path
0% - 66%	Office 365 E3, Microsoft 365 Business Standard/Premium, or higher	Core
67% - 100%	Microsoft 365 E5	Best-in-Class



This score reveals your organization's readiness and risk with regard to your data security. A zero-trust foundation can help you secure identities, defend against threats, and protect sensitive information, while also leveraging the power of AI in a responsible and trustworthy manner.

Core
Restrict data oversharing and data leaks with manual labeling and policies

Required licenses:
Office 365 E3, Microsoft 365 Business Standard/Premium, or higher; and SPP-SharePoint Advanced Management

Best-In-Class
Prevent data oversharing, data leaks, and detect non-compliant usage at scale with auto labeling and policies

Required licenses:
Microsoft 365 E5; and SPP-SharePoint Advanced Management

10 steps to secure and govern your data



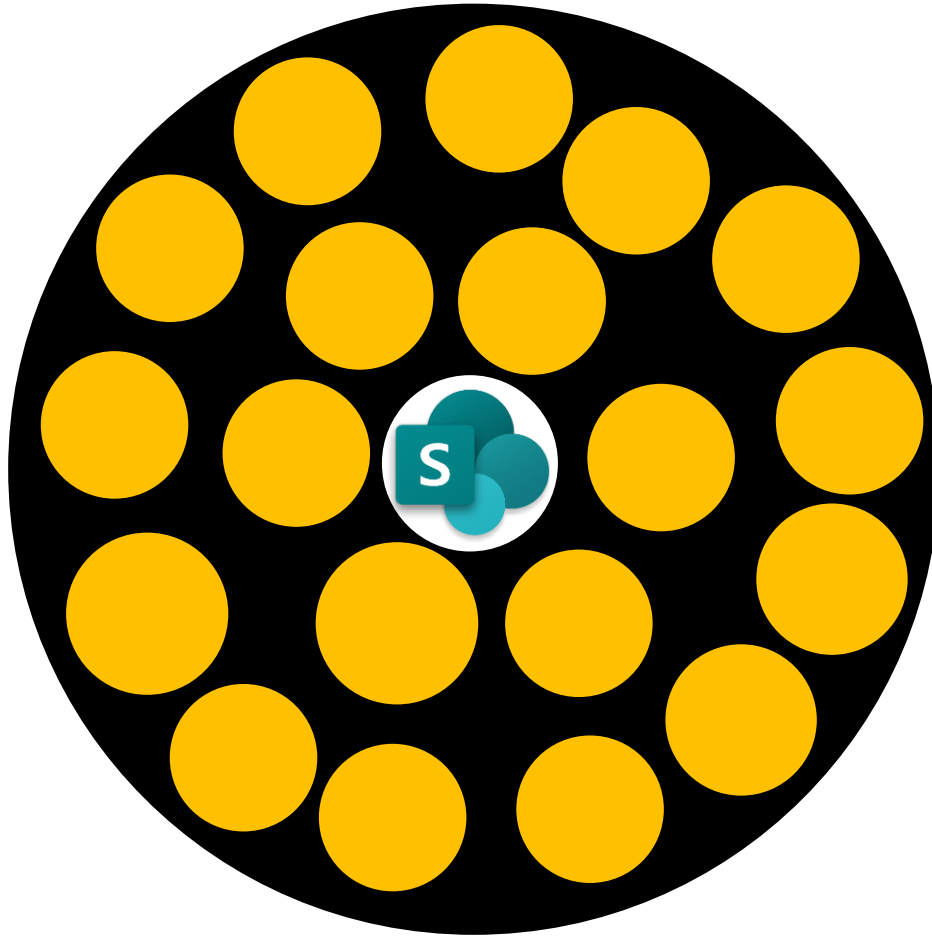
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Core Workspace Governance



Ungoverned Workspaces (Microsoft 365 Groups, Teams and Sites)

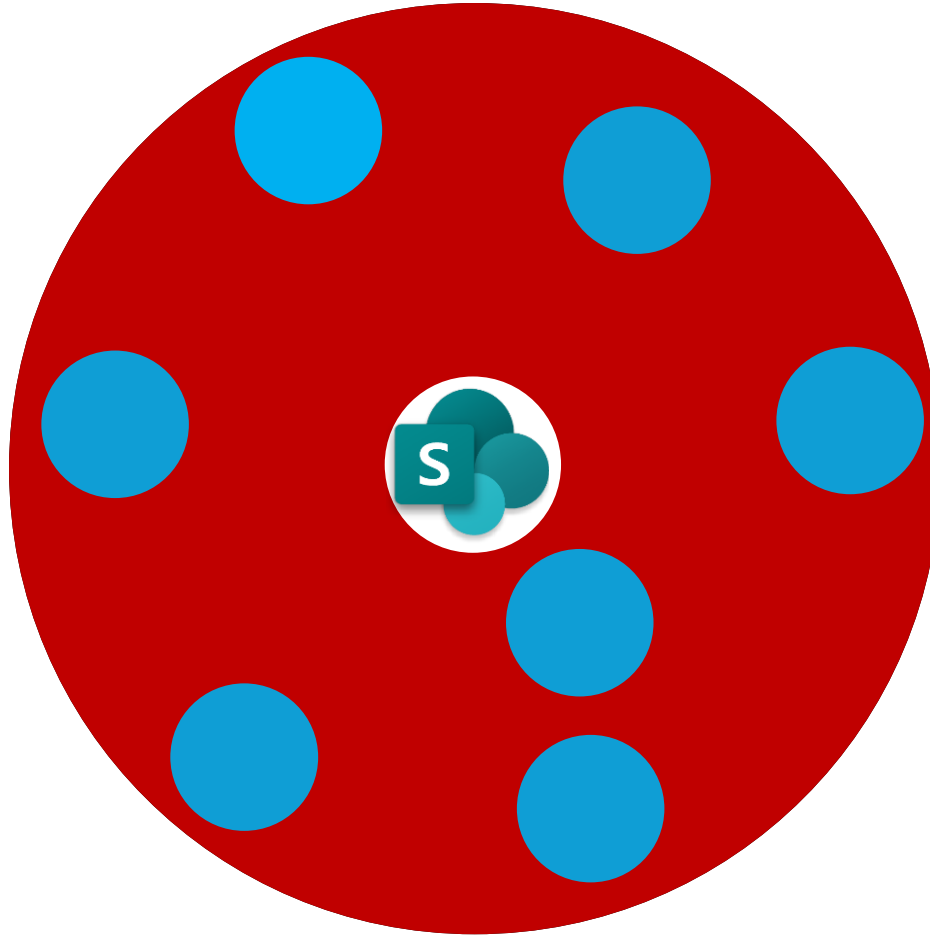


 Each circle represents a SharePoint site

Ungoverned sites and files:

Risk of oversharing

Temporary measure - Restricted SharePoint Search



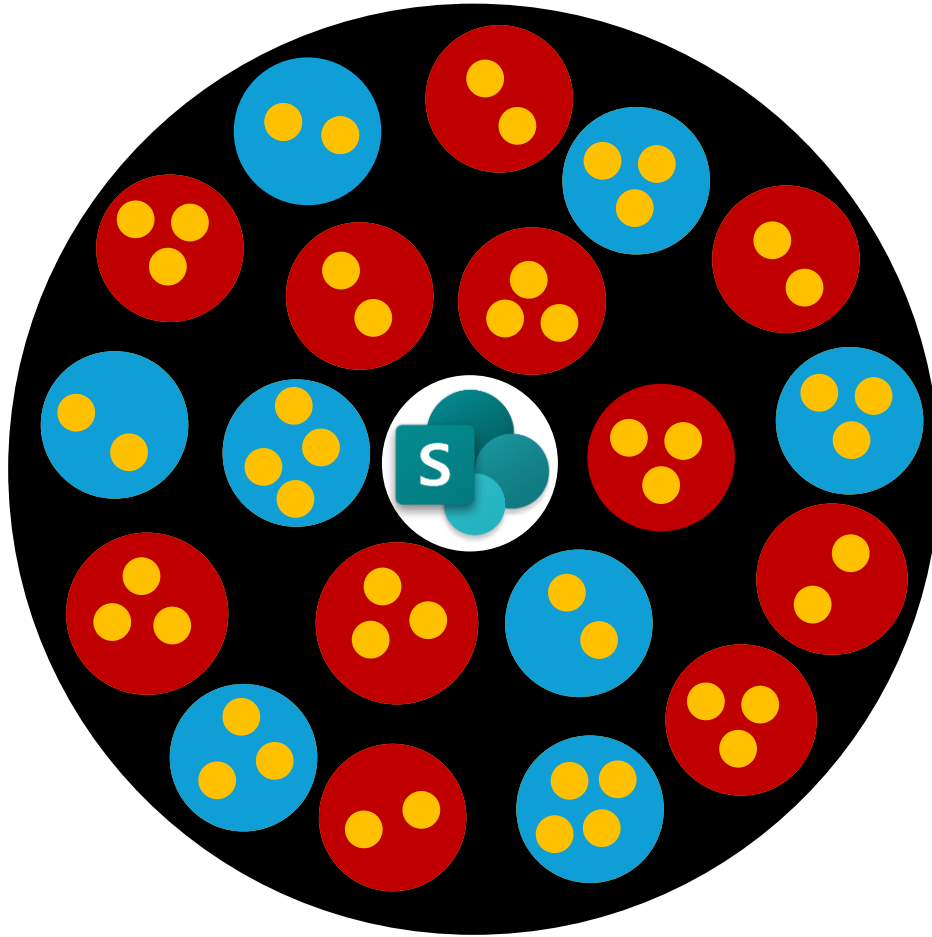
- ✓ Add up to 100 sites
- ✓ Frequently visited sites
- ✓ Your OneDrive
- ✓ Shared files with you & you have accessed

⚠ This disables organization-wide search

- ✓ No impact on Purview e.g. DLP

[i Restricted SharePoint Search - SharePoint in Microsoft 365 | Microsoft Learn](#)

1. Convert Public workspaces to Private workspaces



⚠ All users in the tenant can access content in Public Groups

✓ Use Container sensitivity labels to restrict Public Teams being created

✓ Add Container sensitivity labels to existing Teams/ Microsoft 365 Groups change settings to Private

✓ Identify Viva Engage/ Teams that need to be Public e.g All staff or social

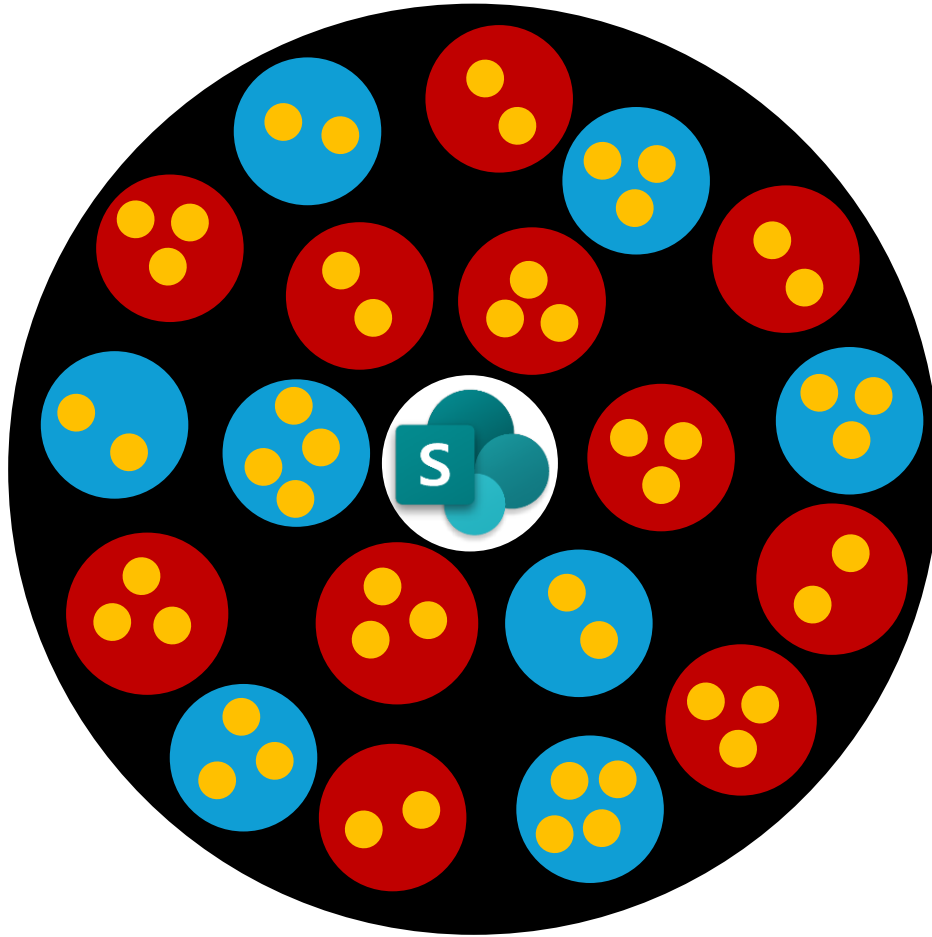
[i Use sensitivity labels with Microsoft Teams, Microsoft 365 Groups, and SharePoint sites | Microsoft Learn](#)

Public sites:
Copilot can access all

Governed Sites with access:
You and Copilot can access

Governed Sites no access:
You and Copilot cannot access

2. Use Container sensitivity labels to enforce “People with existing access” link



✓ Use Container sensitivity labels with your Microsoft 365 Groups, Teams and Sites to control file access permissions

i [Use sensitivity labels with Microsoft Teams, Microsoft 365 Groups, and SharePoint sites | Microsoft Learn](#)

i [Use sensitivity labels to configure the default sharing link type | Microsoft Learn](#)

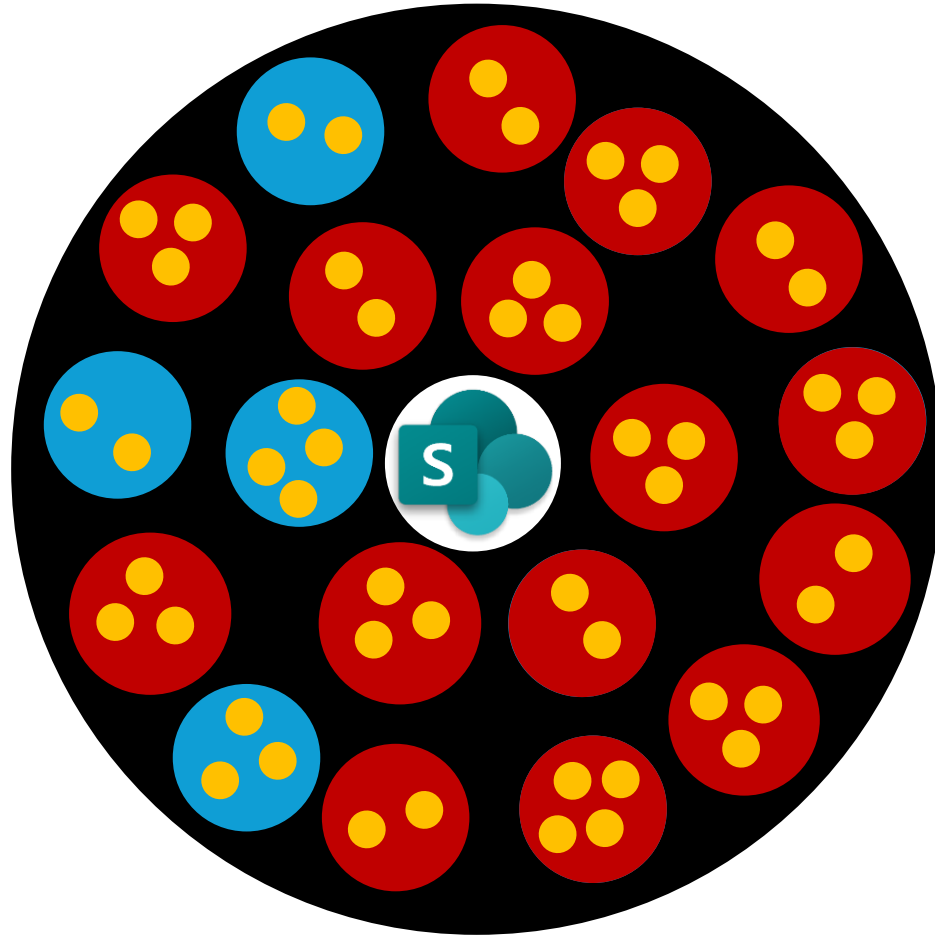
Ungoverned files:
Risk of oversharing

Governed Sites with access:
You and Copilot can access

Governed Sites no access:
You and Copilot cannot access

3. Regularly review workspace membership

✓ User adoption to ensure workspace owners review the membership on a regular basis. Run regular communications campaigns



💰 Use Dynamic groups to automatically manage membership (Entra ID P1)

[i Rules for dynamically populated groups membership - Microsoft Entra ID | Microsoft Learn](#)

💰 Use Entra ID Access Reviews to review Groups and Teams (Entra ID P2 licence)

[i What are access reviews? - Microsoft Entra - Microsoft Entra ID Governance | Microsoft Learn](#)

💰 Use Entra ID Entitlement Management to review confidential Groups, Teams and Sites (Entra ID P2 licence)

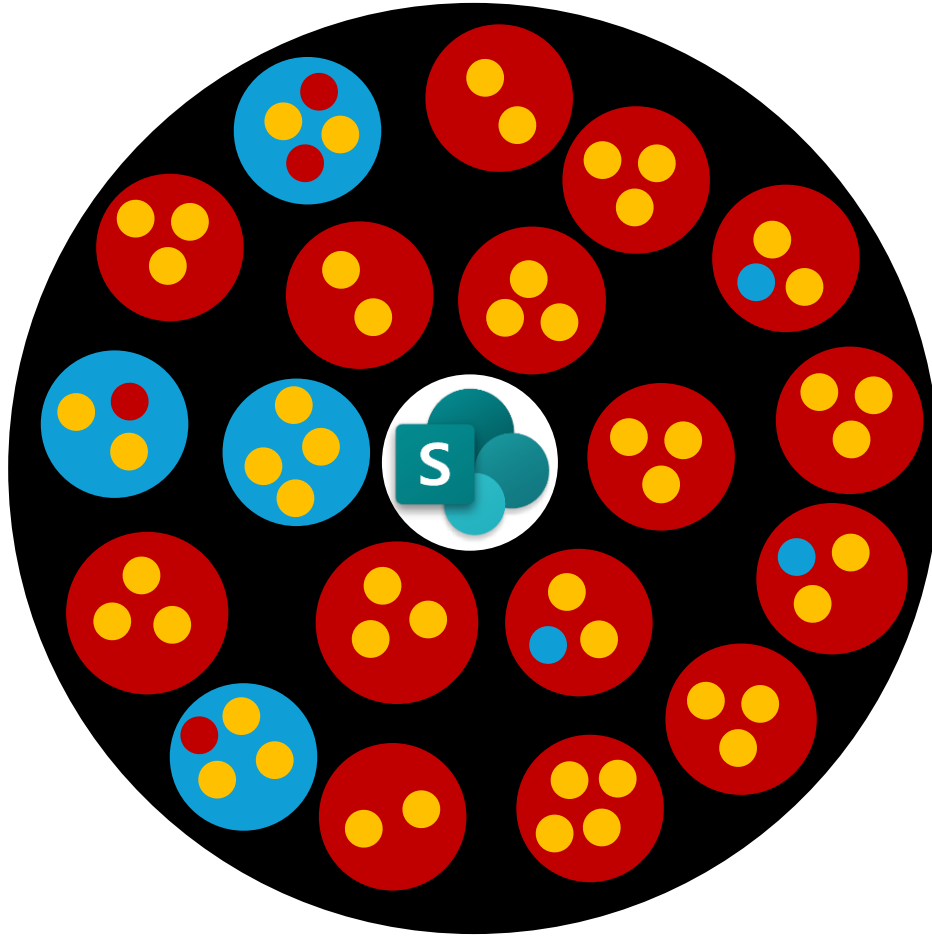
[i What is entitlement management? - Microsoft Entra ID Governance | Microsoft Learn](#)

Ungoverned files:
Risk of oversharing

Governed Sites with access:
You and Copilot can access

Governed Sites no access:
You and Copilot cannot access

4. Use private/shared channels in Teams to restrict access



✓ You can control who can create Private and shared channels

⚠ Using Shared channels externally requires bi-directional configuration

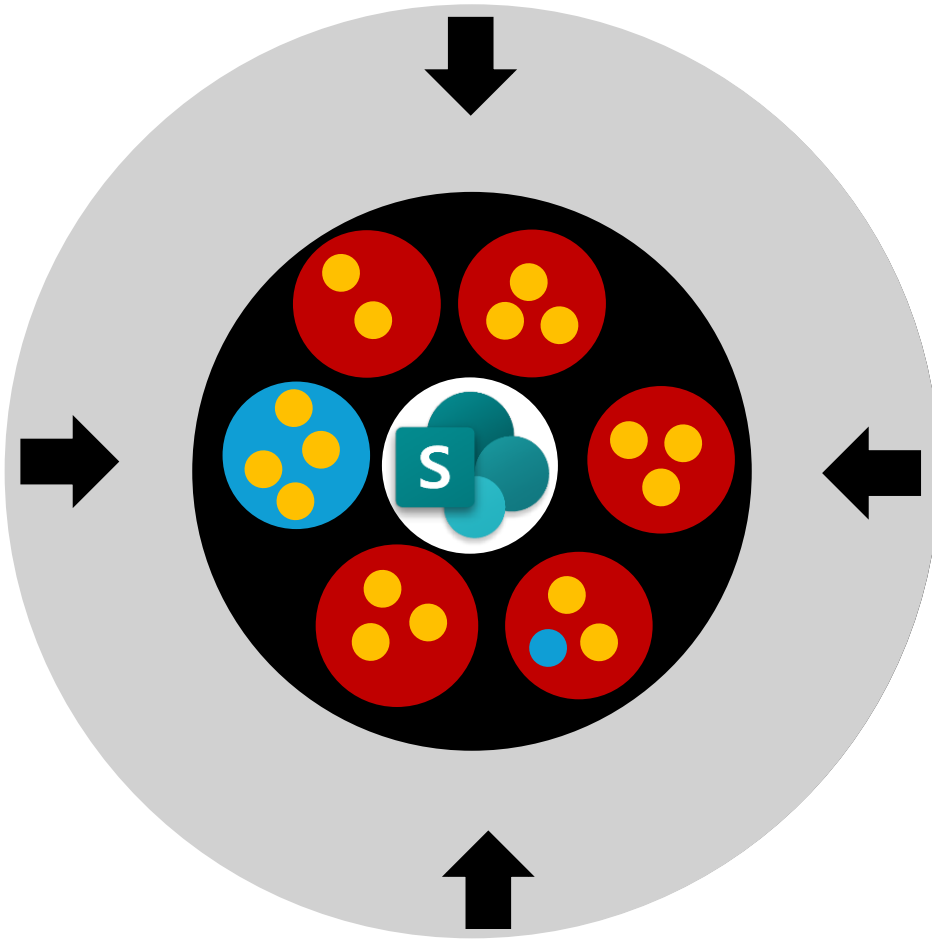
[i Overview of teams and channels in Microsoft Teams - Microsoft Teams | Microsoft Learn](#)

Ungoverned files:
Risk of oversharing

Governed Sites with access:
You and Copilot can access

Governed Sites no access:
You and Copilot cannot access

5. Use Retention to keep what you need and delete the rest



💰 Automated labelling requires E5 Compliance
[i Learn about retention policies & labels to retain or delete | Microsoft Learn](#)

Ungoverned files:
Risk of oversharing

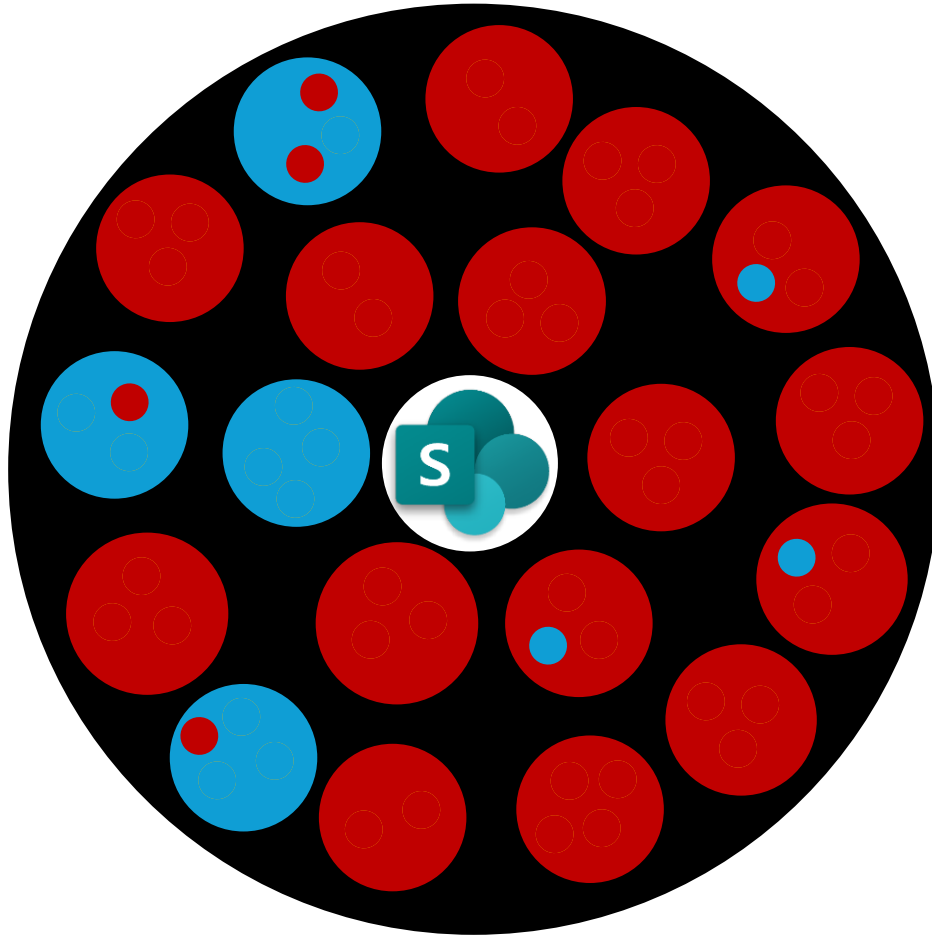
Governed Sites with access:
You and Copilot can access

Governed Sites no access:
You and Copilot cannot access

Best in Class Workspace Governance



6. Block site access to non-members 💰



💰 SharePoint Advanced Management
[Restrict SharePoint site access with Microsoft 365 groups and Entra security groups - SharePoint in Microsoft 365 | Microsoft Learn](#)

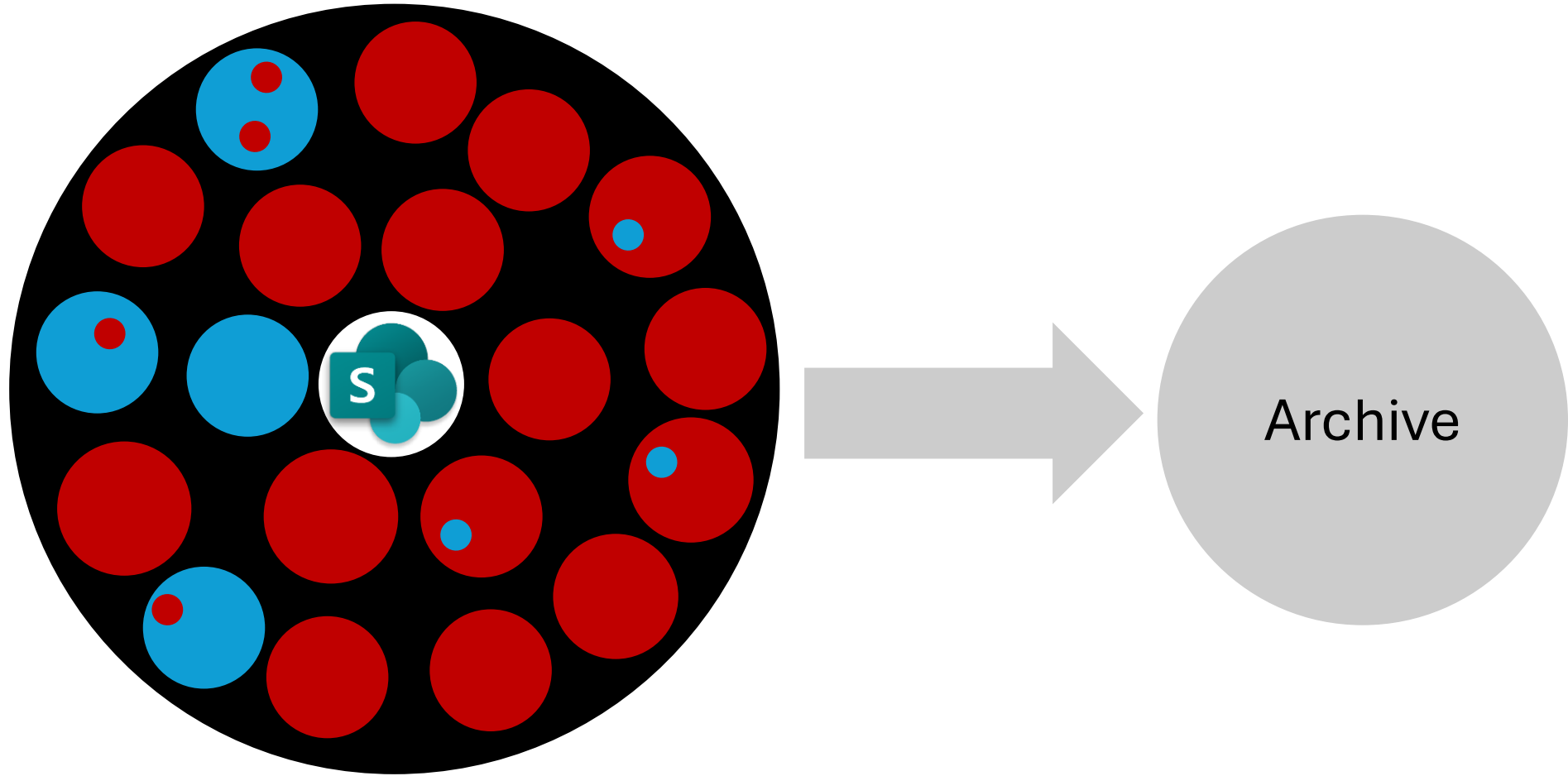
💰 Licenses \$3 per user per month for all users

Ungoverned files:
Risk of oversharing

Governed Sites with access:
You and Copilot can access

Governed Sites no access:
You and Copilot cannot access

7. Archive your inactive Sites 💰



Ungoverned files:
Risk of oversharing

Governed Sites with access:
You and Copilot can access

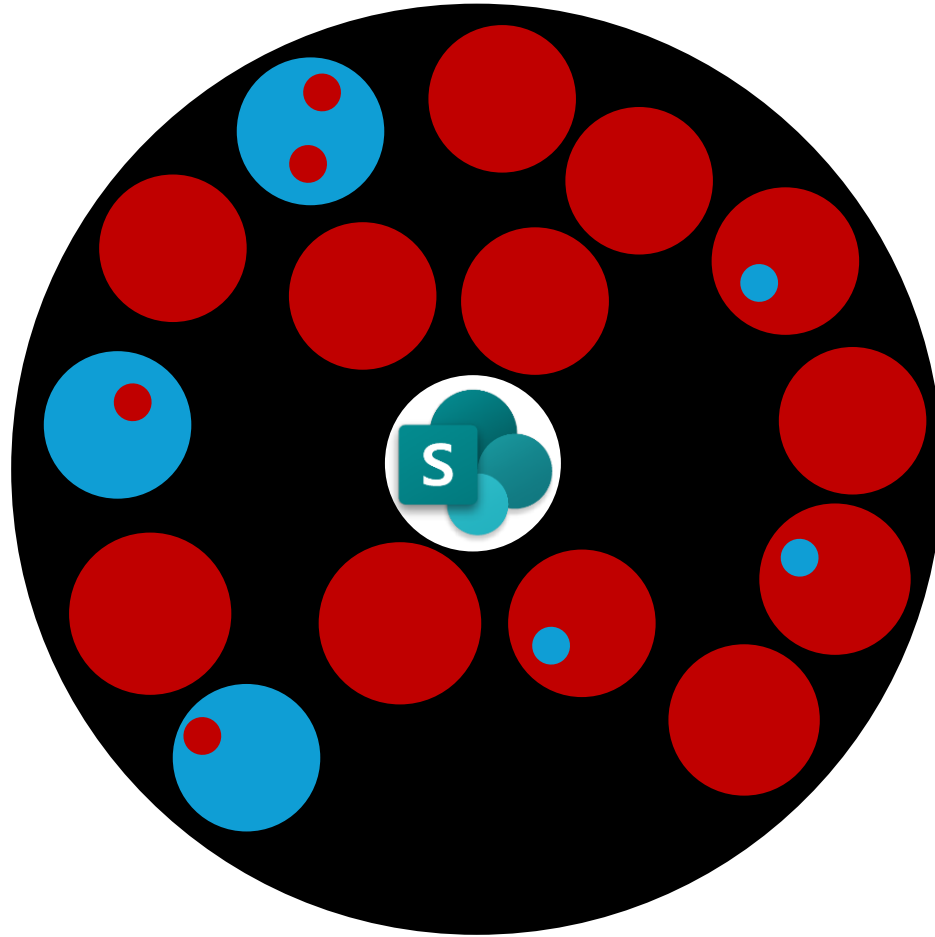
Governed Sites no access:
You and Copilot cannot access

7. Archive your inactive Sites 💰

💰 Microsoft 365 Archive is charged per-GB once the total SharePoint storage used. There is also a charge to restore site

[📘 Overview of Microsoft 365 Archive - Microsoft 365 Archive | Microsoft Learn](#)

💰 Third-party options are available.



Ungoverned files:
Risk of oversharing

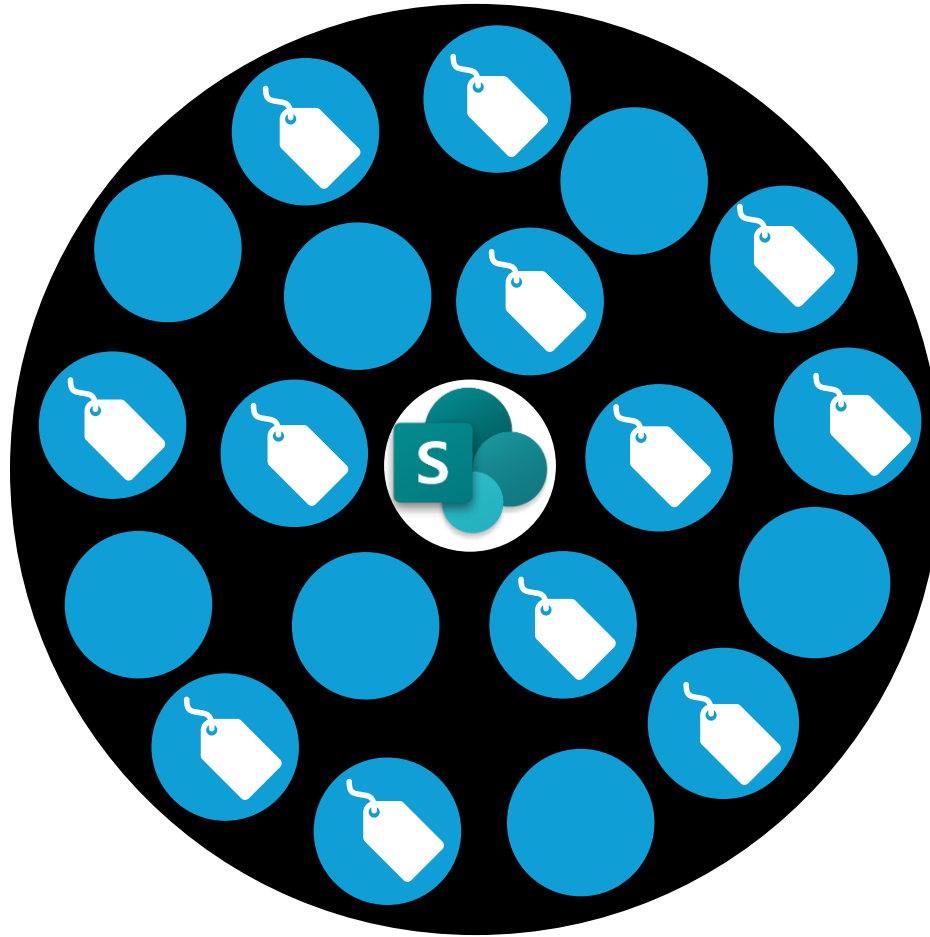
Governed Sites with access:
You and Copilot can access

Governed Sites no access:
You and Copilot cannot access

**Secure your
files**



8. Add Sensitivity labels to your files



✓ Copilot will inherit the label of the source content

✓ Use DLP with sensitivity labels to block access

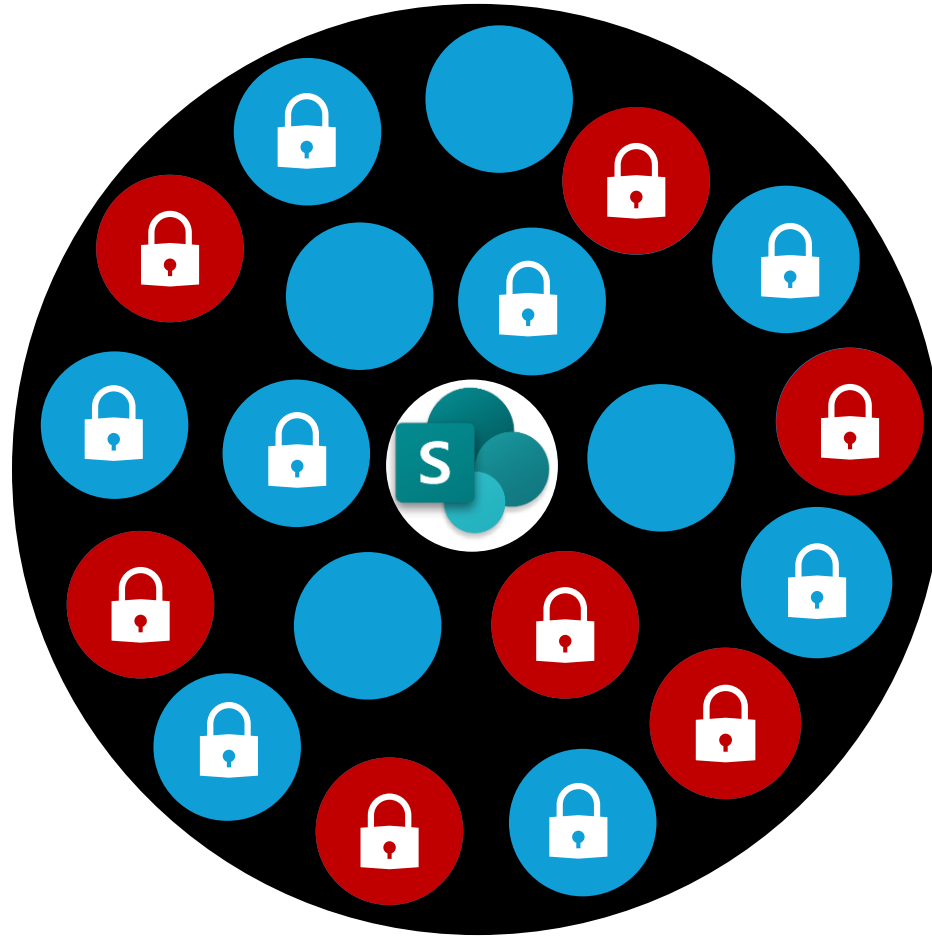
💰 Automated labelling & default label on Document Library requires E5 Compliance

[i Microsoft Purview data security and compliance protections for Microsoft Copilot and other generative AI apps | Microsoft Learn](#)

Labelled files:

Copilot inherits label for source data

9. Add Sensitivity labels with encryption



✓ Copilot will inherit the label of the source content

✓ With Co-owner and Co-author permissions you can still collaborate

💰 Automated labelling & default label on Document Library requires E5 Compliance

[i Apply encryption using sensitivity labels | Microsoft Learn](#)

[i Microsoft Purview data security and compliance protections for Microsoft Copilot and other generative AI apps | Microsoft Learn](#)

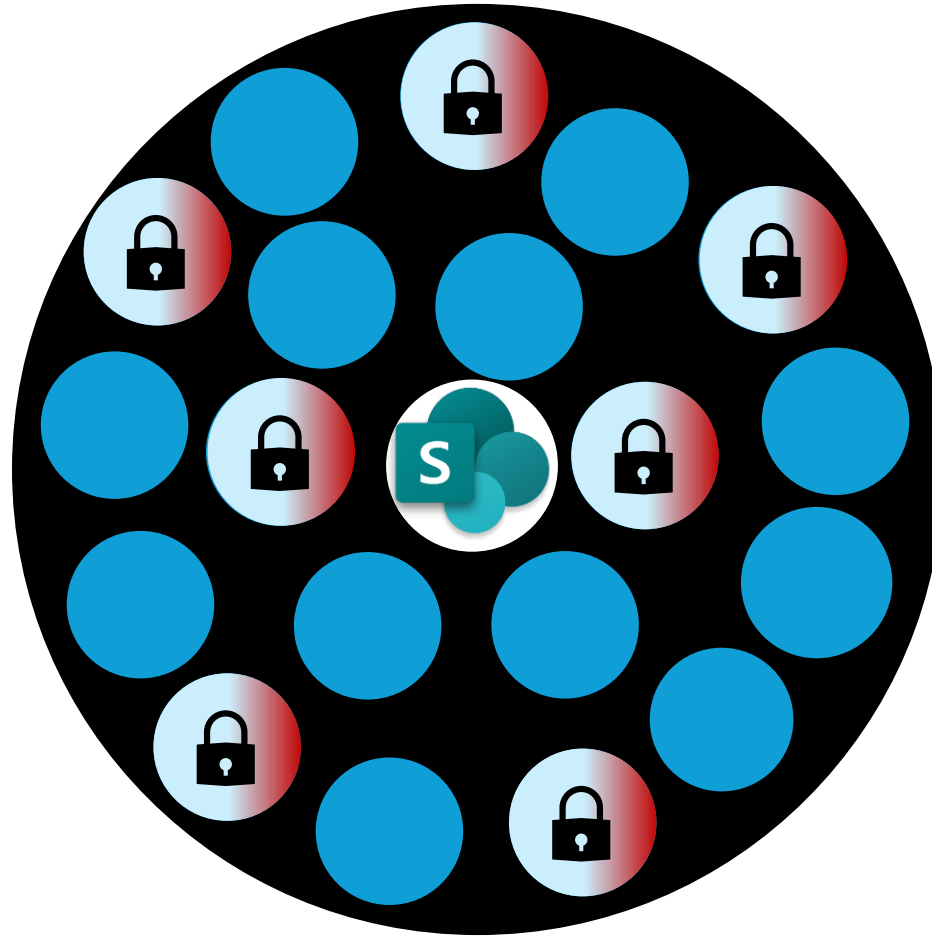
Encrypted files:

If you have access, Copilot can access

Encrypted files:

If you can't access, Copilot can't access

10. Add Encrypted Sensitivity labels with limited permissions



✓ You must have VIEW + EXTRACT permissions for Copilot to access

✓ Copilot will inherit the label of the source content

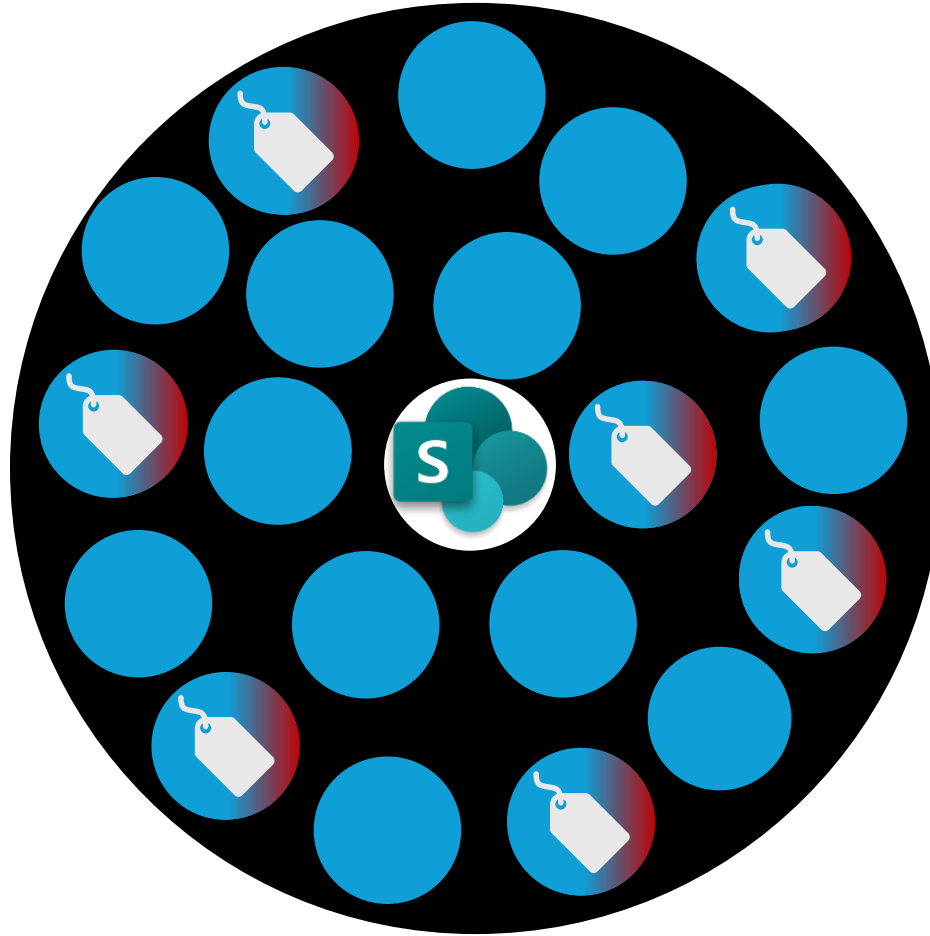
💰 Automated labelling & default label on Document Library requires E5 Compliance

[i Microsoft Purview data security and compliance protections for Microsoft Copilot and other generative AI apps | Microsoft Learn](#)

Encrypted files with restricted access: If you have limited access,

Copilot can't access

11. Use Sensitivity labels to block content being analysed by Copilot



✅ Blocks content being sent to Microsoft for content analysis as a privacy control. This will block Copilot from accessing content in Word, PowerPoint, Excel and Outlook

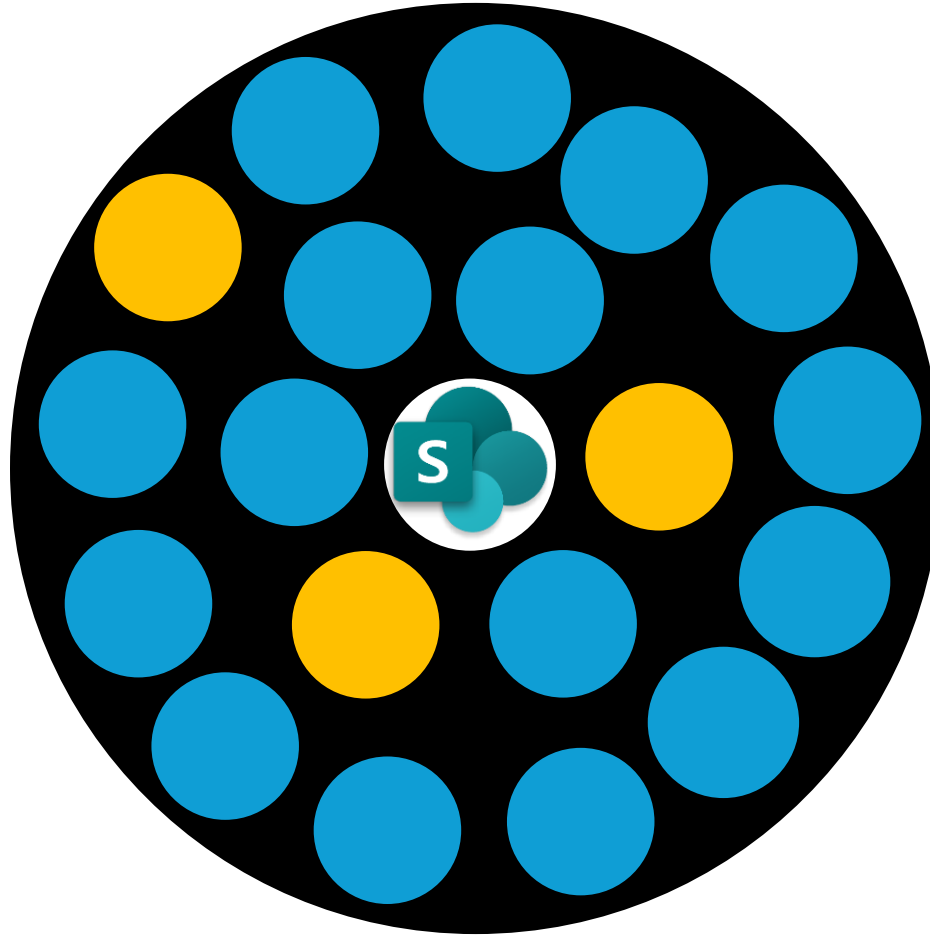
❌ Content can still be accessed via Copilot in other scenarios e.g. Teams

❌ Impacts other activities

[i Manage sensitivity labels in Office apps | Microsoft Learn](#)

Labelled files that prevent connected experiences : If you can access,
Copilot cannot access in WPXO

12. Expire sharing links



✓ Users can now set an expiration date on all file-sharing link types

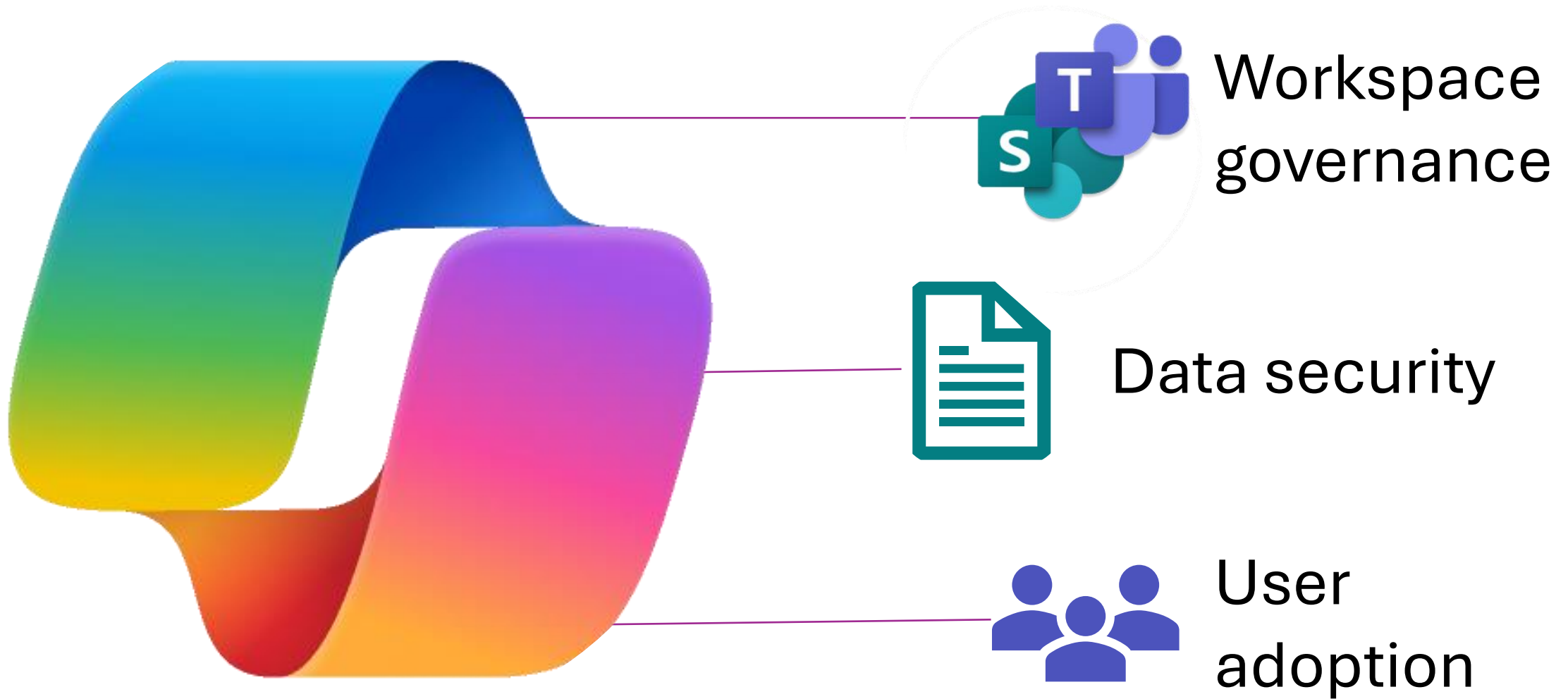
Governed shared file:
You have time bound access

Ungoverned shared file:
You have time bound access

Summary



3 steps to implementing governance for Copilot for Microsoft 365





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[All Things M365 Compliance](#)

