Platforms, agents and trust: Building the Frontier Firm of 2030

Becoming a Frontier Firm is a platform decision, not a model decision. We explore five choices that determine whether your platform will set you up for the next decade.



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About the author

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Talk to Manuel and the team →

> “The window is narrow and it is already open.
> The only decision with no way back is the decision not to act.”
>
> — Manuel Sanchez, Global CTO — Microsoft, NTT DATA

The argument in brief

The Microsoft Work Trend Index frames the Frontier Firm as the emerging model for the AI era. But one boardroom conviction needs dismantling first: that the advantage will come from the AI model a company chooses.

It won't, because every few months models cost less, sometimes converging and sometimes replacing each other.

What takes years to build — and cannot be bought — is the business context those models reason over, the governance that makes their actions defensible and the industrial capability to move pilots into production.

This is why we argue that **becoming a Frontier Firm is not a technological destination, it's a platform decision**.

The window to act on that is narrow. In our experience, and according to Microsoft, organizations will settle their agentic platform within the next 12 to 18 months, and platforms that get settled compound in value for a decade. Eighteen months is not much time for a decision of that duration.

We propose five decisions that will determine whether your platform sets you up for the next decade.

In this paper, we explain:

- What each decision means
- The evidence that supports it
- How it changes the operating model in terms of spending, risk and people management
- What to demand of any partners who help you make and/or implement the decision

We conclude by exploring how NTT DATA has the capabilities to execute all five, from end to end, and how this benefits organizations that want to establish the foundations for becoming a Frontier Firm.

Noun

Frontier Firm

The term "Frontier Firm" was coined by Microsoft to describe an organization that is: "Structured around on-demand intelligence and powered by 'hybrid' teams of humans + agents [... T]hese companies scale rapidly, operate with agility, and generate value faster."

Microsoft Work Trend Index Annual Report, "2025: The year the Frontier Firm is born," April 23, 2025. microsoft.com/en-us/worklab/work-trend-index

A Frontier Firm is an organization that uses AI to reshape business processes, reinvent customer engagement, enrich the employee experience and innovate effectively.

Definition

Platform decision

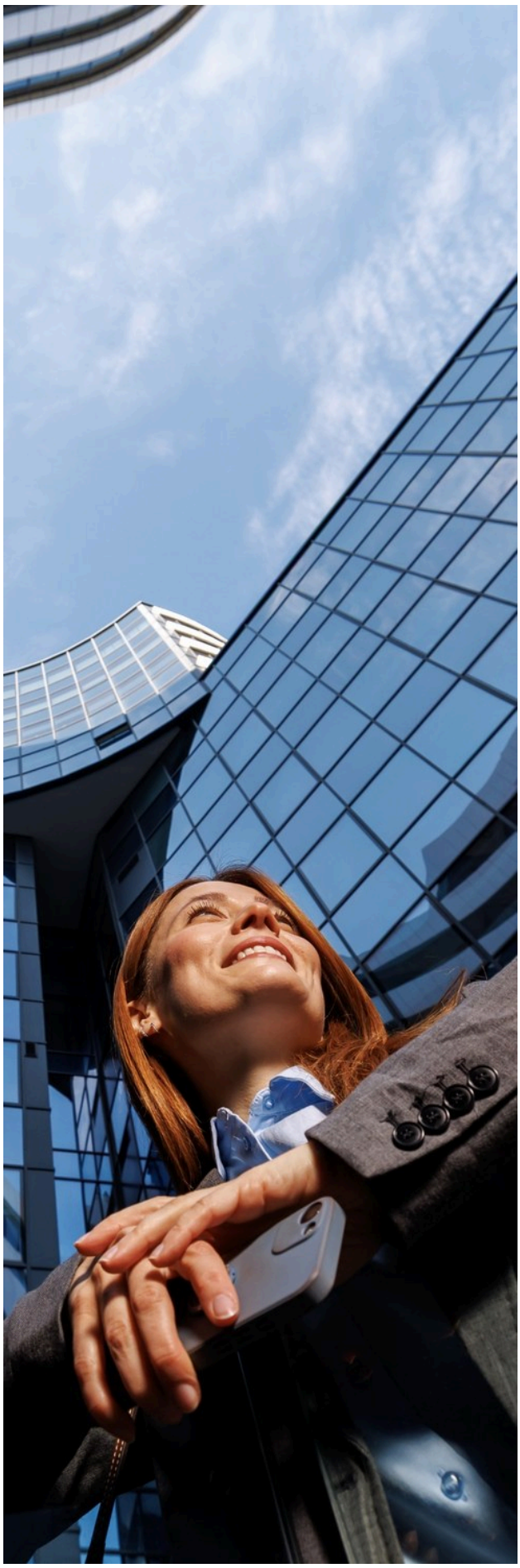
A decision about the common data, identity, governance, integration and operating foundations on which AI will run, independent of which model is best at any particular moment.

In Microsoft terms, that means the identity, data, governance and operating layers — Microsoft Entra and Purview, Microsoft Fabric and Foundry, Microsoft 365 and Azure — rather than any single model.

Five decisions that set up the next decade

These decisions are choices a board makes — or fails to make and defaults to — that determine whether AI spending becomes an installed capability or a recurring cost without return.

1. Choose a platform before you choose a model.
2. Build the context before the agents.
3. Turn trust into velocity rather than friction.
4. Fund AI by modernizing the legacy estate that's limiting it.
5. Industrialize the path to production rather than treating each crossing as an exception.



> "Becoming a Frontier Firm is not a technological destination; it's a platform decision."
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Three barriers to AI programs reaching production

Several years after generative AI entered the boardroom agenda, the results remain uneven. Organizations have invested, hired talent and delivered successful pilots, but this has not translated into wider transformation for most.

Technology maturity alone does not explain why. The reason is accounted for by three recurring barriers: legacy systems, lack of business context and limited planning.

Legacy systems are eating the AI budget

Many organizations are trying to fund AI while still paying to maintain their existing systems. Their data is scattered across on-premises SQL servers, open source databases, SAP, VMware and mainframes, making it difficult for agents to access the information they need. This fragmentation increases costs, slows change and complicates security — three areas a modernization program aims to reduce.

The market attached to this technical debt is significant: Gartner notes that "The enterprise application market is forecast to grow 13.7% in 2026, with a 2024-2029 compound annual growth rate (CAGR) of 12.8%, and will reach $740 billion in annual spending by 2029. Enterprises will prioritize agentic AI investments that automate, optimize and orchestrate application workflows." This is the scale of a problem almost no AI project team mentions on their opening slide.

Agents lack business context

Much of the agentic AI debate has focused on which model to use, but the adoption and efficacy of an agent also depends on the accuracy, speed and reliability of its responses, and the cost of running it.

An agent connected to a capable model but lacking relevant business information can produce answers that sound plausible but offer little value. Repeatedly supplying that missing context can also increase running costs.

Nobody planned for production

Pilots are designed to demonstrate what's possible, but they also need a clear route into day-to-day operations. When the time comes to scale, difficult (and sometimes unanswerable) questions surface:

- Who is accountable for the agent's actions?
- How will those actions be audited?
- What happens when the process it automates changes?
- Which business measure will determine whether it is delivering value?

Without an agreed measure of success, programs lose momentum and stall — nobody decides to stop them, and nobody can show they should continue.

> "This is the scale of a problem almost no AI project team mentions on their opening slide."
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Why the risk calculation has changed

Together, these barriers change the risk calculation. Agents now act on sensitive data and critical workflows, which moves trust from the edge of the strategy to its center.

If security, privacy, compliance and governance are not built in from the start, the attack surface widens, adoption slows and regulatory exposure grows. And none of this happens in stable business conditions: security operations centers are overloaded, tooling is fragmented, talent is scarce and adversaries already operate at machine speed.



> “Trust has moved from the edge of the strategy to its center.”
>
> — Manuel Sanchez, Global CTO — Microsoft, NTT DATA

Five decisions that determine whether you become a Frontier Firm

These decisions give leaders a framework for building the platform, business context and operational capabilities needed to move from pilot to production and scale AI.

Decision 1

Choose a platform before you choose a model

Model selection often dominates technical discussions. But models evolve quickly, and their relative advantages can be short-lived. The broader question is which platform the company will use to build, govern and operate its agents. That choice will shape its data architecture, security, compliance, development tools and costs for years to come.

Microsoft has reordered its own go-to-market model on this idea. Its FY27 framework reflects this approach by grouping business conversations into two areas:

- Frontier, which leads every engagement
- Core, which sustains the foundation on which Frontier can exist.

This taxonomy reflects a broader change in approach for the platform vendor, from selling components to selling outcomes.

Boards must make platform decisions explicitly, with written criteria and a clear timeframe. Otherwise, the decision emerges by default from tactical choices made department by department — choices that will influence costs and operations for some time, with no one having agreed the direction.

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What written criteria look like

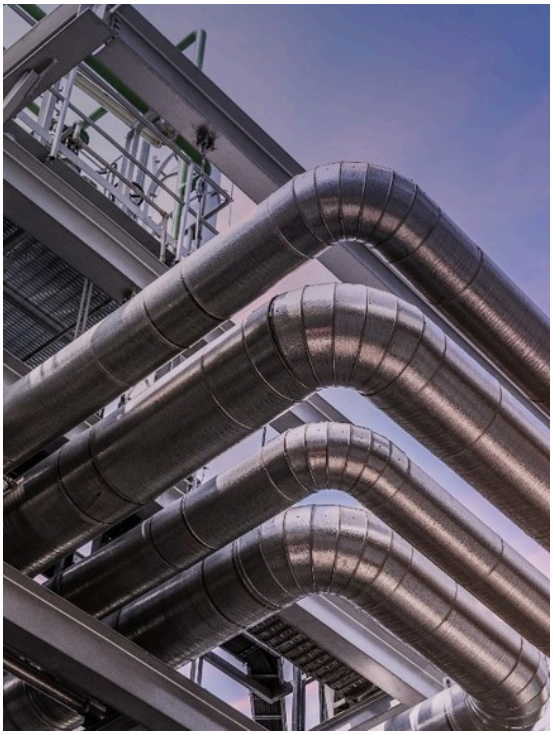
Five that belong on every board’s list:

- Where data resides and who holds sovereignty over it
- The identity and access model agents will inherit
- The governance and audit tooling that evidences every action
- Portability between models as they change
- The cost of exit, priced before entry

Decision 2

Build the context before the agents

This is often the most underestimated decision, yet has the greatest financial impact over the medium term. An agent's value depends on the business information it can access: how people work, what the company's systems contain, the knowledge held in documents and what is happening outside the organization.



That is the function of Microsoft Foundry IQ by Azure AI Search — a unified knowledge layer for agents that allows developers to configure and register a single knowledge base to provide agents access to many different knowledge sources. The figures Microsoft publishes on the effect of this layer belong in any serious business case: "Knowledge bases with query planning and reflective search give a 36% gain over directly searching all knowledge sources."

In CFO terms, context is a capital asset, not project spend. Build it once and every agent deployed afterwards amortizes it. Skip it and the organization pays the full integration cost on every new use case, discovering the problem in the second wave when the budget is already committed and the program's credibility is spent.

For this reason, a sequencing rule we recommend without qualification is to *unify the data before multiplying the agents*. Reversing that order can increase costs and make reliable results harder to achieve. Data architecture may attract less attention than launching agents, but it provides the foundation for their success.

36%

boost in response relevance with agentic retrieval with Foundry IQ

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Decision 3

Turn trust into velocity rather than friction

Security and governance accelerate AI deployment. Clear identity controls, classified information and coordinated threat detection give teams the confidence to deploy AI agents at scale. Without these foundations, unresolved risks delay approvals and rollout.

Microsoft builds in trust by design, processing more than 100 trillion security signals a day from across the world.

Source: Microsoft Digital Defense Report 2025

Platform capabilities need effective security operations behind them. Modernize the security operations center first, then scale agent deployment.

Three commitments carry particular weight:

Customer data is never used to train foundation models and stays inside the customer's control boundary.

Source: Microsoft Learn, Data, privacy, and security for Foundry Models

Support for more than 100 compliance offerings, including ISO/IEC 42001.

Source: Microsoft Azure, Compliance in the trusted cloud

Responsible AI embedded across 30 tools with more than 155 features for governance, safety and monitoring.

Source: Microsoft 2025 Responsible AI Transparency Report

85%+ of the Fortune 500 use Microsoft AI solutions.

Source: Microsoft Cloud Blog, July 24, 2025

Case study

The City of Las Vegas shapes the future of urban living

NTT DATA manages the City of Las Vegas Smart Solution, which runs on Microsoft Azure, bringing data from traffic cameras, park sensors and edge systems into one secure environment. AI and machine learning models now make more than 14,000 predictions a week, and the solution has helped cut wrong-way driving by more than 90%.

Source: NTT DATA, City of Las Vegas case study

Read the case study →

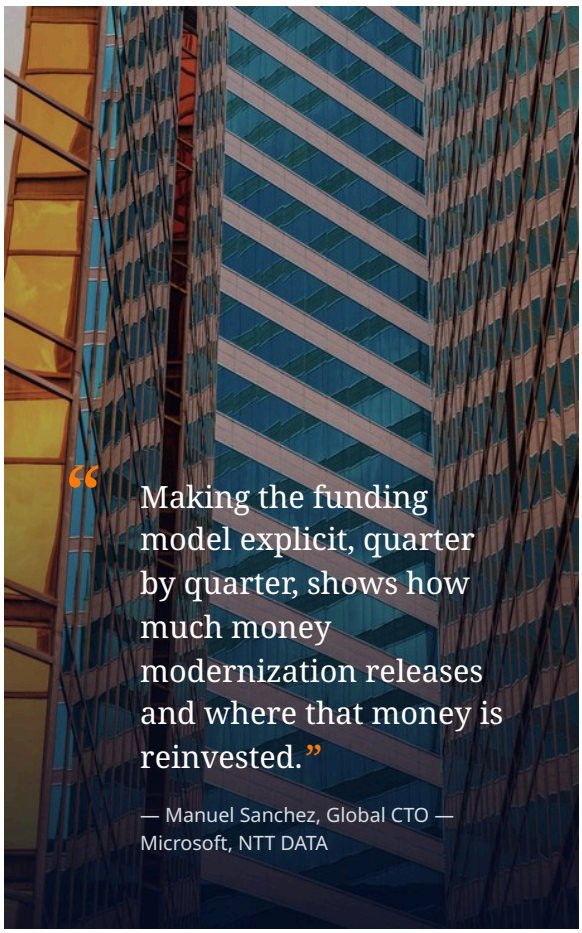
Decision 4

Fund AI by modernizing the legacy estate that's limiting it

Boards will not keep increasing AI budgets indefinitely while maintenance spending remains unchanged. Funding for AI is tied up in existing platforms that deliver limited value, yet are expensive to run and difficult to protect. Modernizing this estate releases resources for new capabilities.

The database estate is a practical starting point. Microsoft SQL Server customers already invest in licenses. The next step is to use that investment more effectively: modernizing the environment securely and redirecting spending from maintaining old systems to building new capabilities.

Making the funding model explicit, quarter by quarter, shows how much money modernization releases and where that money is reinvested. This connects the modernization program directly to the AI business case and demonstrates how existing technology spending funds new capability.



The case for modernization is measurable and verifiable

Agent-assisted upgrades reduce effort from months to hours

GitHub Copilot automates .NET and Java upgrades with AI agents that analyze your codebase, detect breaking changes, suggest safe migration paths and apply build fixes — cutting months of effort down to just hours.

Source: Microsoft Azure Blog, Accelerate migration and modernization with agentic AI

Increased performance at a lower cost

Microsoft SQL Server on Microsoft Azure Virtual Machines performs up to 57% faster and costs up to 54% less than AWS EC2. Organizations can lower administrative tasks by 60%, increase performance by 55% and lower total cost of ownership (TCO) by 58% with Azure SQL Managed Instance.

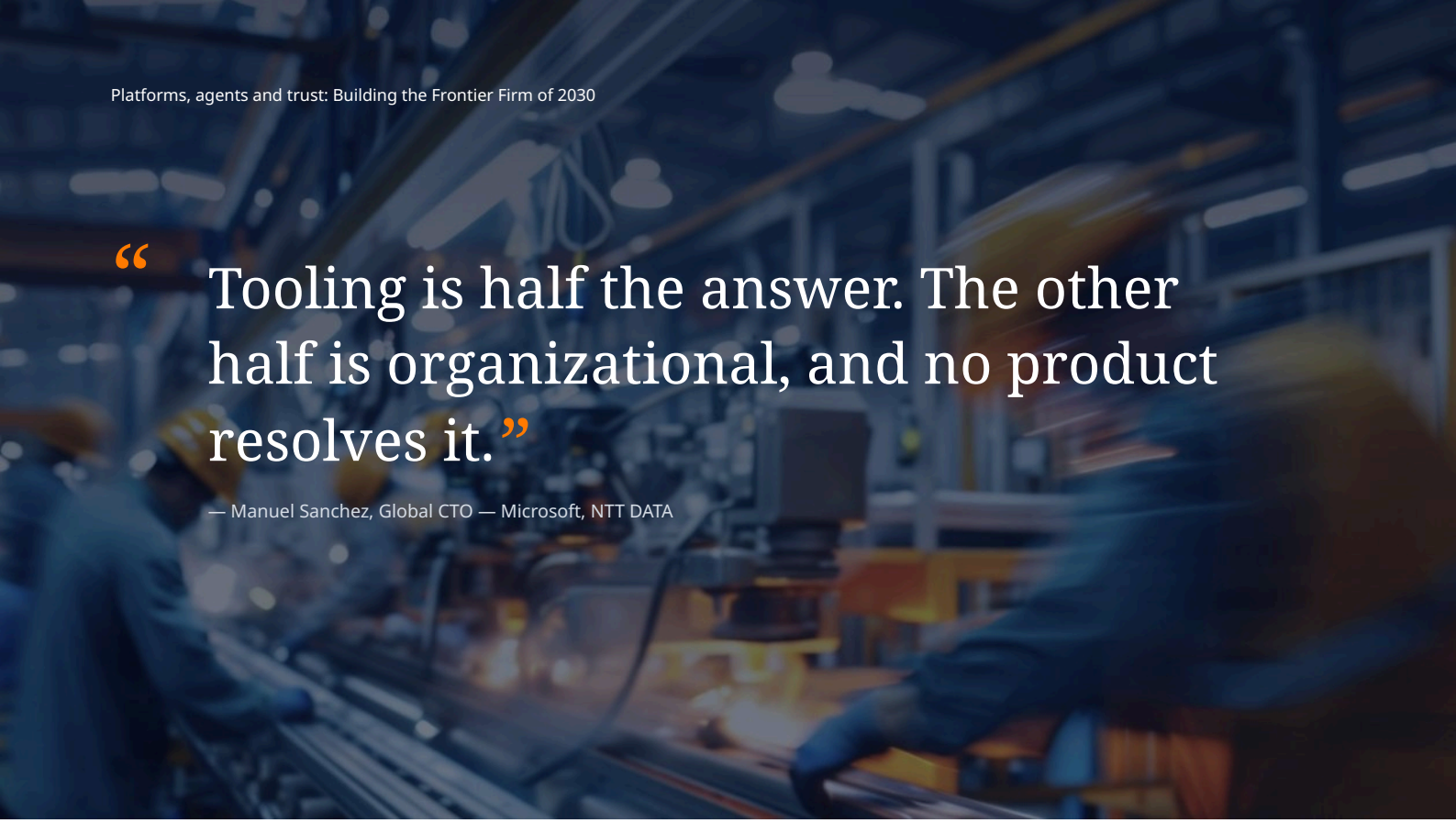
Source: Microsoft Azure, Why Azure vs. AWS

Source: Enterprise Strategy Group, Economic Validation of Azure SQL Managed Instance, March 2025

Sovereignty is covered by design

NTT DATA research reveals that, "Globally, 96% of organizations fear privacy violations and misuse of customer data related to the use of AI and GenAI, yet fewer than half (47%) have full confidence they can meet data sovereignty requirements." Microsoft Azure provides several capabilities that help you meet sovereignty requirements, including data controls, operational controls and multiple deployment and isolation models.

Source: NTT DATA, 2026 Global AI Report: A Playbook for Private and Sovereign AI



> “Tooling is half the answer. The other half is organizational, and no product resolves it.”
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Decision 5

Industrialize the path to production

Closing the gap between pilot and production takes a repeatable way to build, deploy and govern agents across critical workflows.

When each function builds its own agents with no shared framework, you soon end up with an inventory and security problem rather than an asset. This is one of the most underestimated risks in the market today.

Microsoft Foundry, GitHub and Microsoft Copilot Studio give teams the tools to select models, connect agents to business context and build in controls from the outset. Organizations using Foundry report building AI apps and agents 40% faster on average.

Source: Forrester, The Total Economic Impact of Microsoft Foundry, 2026

Tooling is half the answer. The other half is organizational, and no product resolves it. Industrializing AI also requires a governance framework for agents with a named owner, a living inventory, criteria for promotion into production and the business metric agreed before the first line of code is written.

This decision also carries a dimension that tends to fall outside the plan: *people*. Training and certification must run alongside deployment. Teams need the skills to operate, govern and improve what has been built, working alongside NTT DATA as a long-term partner. That transfer is what makes the new capability the organization’s own.

How NTT DATA supports delivery

Platform

NTT DATA delivers communications solutions built around Microsoft Teams Phone, helping organizations modernize converged communications, cloud endpoints, frontline worker experiences and employee experiences across industries worldwide.

Context

Our data and analytics capabilities cover analytics platform and appliance migration, cloud-scale analytics using Microsoft Azure SQL, Microsoft Azure Synapse Analytics, Microsoft Fabric and Azure Data Factory, and the design of the enterprise context layer.

Trust

From consulting and implementation through ongoing management, we deliver managed detection and response, digital forensics and incident response, identity and access management and security transformation solutions using Microsoft Defender, Microsoft Purview, Microsoft Entra, Microsoft Sentinel, Microsoft Intune and Microsoft Priva.

Modernization

Our Cloud Migration Factory industrializes discovery, assessment and migration, supported by cloud-native and mainframe modernization, SAP on Microsoft Azure (including RISE with SAP support), managed cloud services with FinOps, DevOps and AIOps, and site reliability engineering practices.

Industrialization

NTT DATA's Agentic AI Services span advisory, build, integration, managed services and connectivity, alongside professional and managed services for Microsoft Dynamics 365 and Managed CX for business processes. NTT DATA also has an AI agent in production serving citizens in municipal contact centers through its partnership with ICS.AI, a specialist in public sector AI agents.

Client success stories

Select a story to read the case study

HARTING
HARTING modernizes customer service with Microsoft Dynamics 365 →

DAMM
Generative AI agents to optimize data at Damm →

BUMA
From complexity to resilience: BUMA's SAP transformation on Microsoft Azure →

Forvis Mazars
Forvis Mazars scales up AI adoption with new Ambassadors Academy for Copilot →

X-ELIO
X-ELIO moves to a new digital work environment →

BMW Group
Scalable GenAI platform for the BMW Group →

Coca-Cola Beverages Africa
Coca-Cola Beverages Africa relieves service-desk pressure with agentic AI →

British Airways
British Airways strengthens business continuity operations →

MasOrange
MasOrange advances operational excellence and strengthens control across the B2B sales cycle →

RLDatix
RLDatix strengthens customer service with Genesys Cloud →

Aegon
Aegon advances an AI-powered work model →

Florida Crystals
Telecom expenses for Florida Crystals dropped 78% with Teams Phone and Teams Meeting Rooms →

Georg Fischer Piping Systems
Hybrid cloud voice simplifies calls for Georg Fischer Piping Systems →

Southern Cross University
Microsoft Teams telephony for Southern Cross University →

How this maps to the Microsoft Frontier and Core framework

These five decisions organize the Microsoft Frontier and Core framework around your priorities. They map to Microsoft FY27 business conversations, giving organizations a shared language for roadmap discussions with their delivery partner and Microsoft.

Decision	Business focus	Microsoft capabilities
Platform	AI in everyday work, supported by productivity and security tools	Microsoft 365 Copilot, Microsoft Copilot Studio, Microsoft 365, Windows 365 and the Microsoft security portfolio
Context	A unified, governed foundation of business data and knowledge	Microsoft IQ, Microsoft Fabric, Microsoft Foundry and OneLake in Microsoft Fabric
Trust	A secure platform for governing and operating agents	Microsoft Agent 365 and the Microsoft security portfolio
Funding	Modernizing infrastructure, applications and data	Microsoft Azure
Production	Building agents and automating business processes	GitHub, Microsoft Copilot Studio, Microsoft Foundry, Microsoft Dynamics 365 and Microsoft Power Platform



What changes, including the uncomfortable parts

Only describing opportunities is no use in a board meeting. These are the real effects of taking the five decisions, and of not taking them.



The operating model impact

This is the deepest and the hardest to convey in a presentation. When systems of record become systems of action, the division of labor changes: people direct and agents execute. This is not measured in licenses deployed but in processes reengineered per quarter, cycle time removed from those processes and decisions automated with human sign-off. If those three figures are not moving, the program is not working, no matter how much nominal adoption grows — and it is better to point this out in a committee meeting than wait for it to be reflected in the year-end results.



The financial impact

This has two sides, and they must be presented together. The first is that every dollar that stops sustaining obsolete infrastructure is a dollar available for new capability. The second is that inference cost is controlled through context rather than through rationing usage. Important metrics in this context are the reduction in token cost, the operational saving from moving databases to the cloud and the cost to serve per transaction. When these points are presented separately, modernization looks like expenditure. When presented together, it is clear that modernization is the funding mechanism.



The architectural impact

This is what our entire argument is about: your advantage is not the model but the context, making unified, governed data a reusable asset. Impact is measured by systems connected to the context layer, answer quality and the reuse of agents across functions — the indicator that best predicts whether the program will scale.



The risk and governance impact

A board that cannot say where its agents run, what they can reach and who answers for their actions has significant exposure. The metrics here are coverage of the compliance standards you are held to (ISO 42001 among them), mean time to resolution in the security operations center and incidents linked to agents.



The people impact

This is what determines whether any of the above endures. Certifications earned, adoption per active user and hours of work reallocated are the indicators that show whether your organization will own its transformation and realize a return on your AI investment over the long term.

Three failure modes to avoid

These three failure modes recur often enough to deserve naming:

01

Uncontrolled agent sprawl with no governance framework.

02

Deployed AI agents whose permissions were never cleaned up, turning a productivity tool into a leakage vector.

03

The permanent pilot trap — programs that never cross into production because nobody agreed at the outset on the metric that justified them.

All three are avoidable, and all three are avoided at the design stage, not at deployment.

Ninety days to know

Executives have seen enough transformation programs to distrust any that shows no result inside a year, and they are right to.

This short, verifiable sequence, built on the five decisions, can help overcome their objections.

Days 1–30

Set the direction

The platform decision is settled, based on written criteria. Two or three processes with measurable business impact are identified. The data and security foundation those processes genuinely require is assessed. The business metrics that will determine whether the program continues are agreed. This phase is often skipped, but it is the one that most determines the outcome.

Days 31–90

Build and measure

The following 60 days are for building on a deliberately narrow scope. Governance and controls are built in from the start, not added at the end, and the financials of modernization run in parallel so funding is visible from the first quarter.

Day 90

Decide

With the result measured, the work either scales or is corrected, and the cycle begins again with the next process. Industrialization is what makes this possible: a proven migration factory, managed services delivered through a product-oriented delivery (POD) model, site reliability engineering practices and certified skilling allow what has been built to be sustained. Ninety days is enough to know.



> “Ninety days is enough to know. Eighteen months is enough to set the platform for the decade.”
>
> — Manuel Sanchez, Global CTO — Microsoft, NTT DATA

What to demand from your implementation partner

Acting on these five decisions takes expertise in several disciplines. Business context requires data architecture. Trust requires effective security operations. Funding requires proven migration capability. Scaling requires managed services to operate what has been built, and training to transfer the skills.

When these responsibilities are split across suppliers, you take on the work of coordinating them. Clear accountability for the overall outcome is essential. NTT DATA provides a single line of accountability across all five decisions, from strategy and build through to managed operation.

Assess a partner's ability to deliver the promised outcome through three questions:

Have they delivered comparable work? Look for evidence of success with the same challenge, at a similar scale and in your sector.

Can they operate what they build? Establish who will maintain, govern and improve the service after deployment.

Will they transfer capability? Confirm how your teams will gain the skills and knowledge to sustain the transformation.

NTT DATA provides a single line of accountability across all five decisions, from strategy and build through to managed operations.

$30bn+
annual revenue

70+
countries

25+
years as a Microsoft partner

15
years on the Microsoft Partner Advisory Council

22
advanced specializations

20,000+
Microsoft certifications

Global Systems Integrator
and Microsoft Azure Expert Managed Service Provider (MSP) status

3rd
largest data center provider in the world

Top-5
global IP network

The window is already open

The conclusion of this document reduces to one sentence we would recommend taking to the next board meeting:

The window is narrow and it is already open. The only decision with no way back is the decision not to act.

Governed context, operational trust, self-generated funding and the industrial capability to reach production — this is what compounds over time. Everything else is replaced at the next release.

> “Nobody becomes a Frontier Firm by choosing the best model. You have to build the best foundation for any model.”
>
> — Manuel Sanchez, Global CTO — Microsoft, NTT DATA

Let's talk Frontier

Ready to make the five decisions? Talk to NTT DATA's Microsoft alliance team.



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NTT DATA

About NTT DATA

NTT DATA is a $30+ billion business and technology services leader, serving 75% of the Fortune Global 100. We are committed to accelerating client success and positively impacting society through responsible innovation.

We are one of the world's leading AI and digital infrastructure providers, with unmatched capabilities in enterprise-scale AI, cloud, security, connectivity, data centers and application services.

Our consulting and industry solutions help organizations and society move confidently and sustainably into the digital future. As a Global Top Employer, we have experts in more than 70 countries. We also offer clients access to a robust ecosystem of innovation centers as well as established and start-up partners.

NTT DATA is part of NTT Group, which invests over $3 billion each year in R&D.

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