
Claude Cowork vs. Microsoft Frontier/Cowork

Decision Report for a 20-Person CPA Firm

A practical comparison of Anthropic Claude Cowork and Microsoft 365 Copilot Cowork via the Frontier program.

Focus: tax and accounting workflows, client-data safeguards, adoption risk, total cost, and recommended pilot design.

Research date: June 1, 2026

Executive Summary

Bottom line: For a 20-person CPA firm that already runs on Microsoft 365, **Microsoft 365 Copilot Cowork via Frontier should be the default firm-wide pilot**, because it operates inside Outlook, Teams, SharePoint, OneDrive, Word, Excel, PowerPoint, and the Microsoft identity/compliance fabric. **Claude Cowork should be piloted selectively for power users** who handle messy local files, document assembly, research synthesis, spreadsheet cleanup, and repeatable desktop workflows.

Microsoft 365 Copilot Cowork via Frontier is Microsoft's agentic work surface for multi-step work inside Microsoft 365. It is designed to operate across Outlook, Teams, SharePoint, OneDrive, Word, Excel, PowerPoint, organizational search, scheduled prompts, and document workflows, with human approval for sensitive actions. For a CPA firm, the value is not only autonomy; it is autonomy inside the firm's existing Microsoft identity, permissions, and compliance environment.

Claude Cowork is Anthropic's agentic work surface in Claude Desktop. It is strongest when a user can point Claude at local files, folders, and applications and ask for a finished deliverable. It can run long tasks, coordinate subtasks, generate polished files, and work with local directories. This makes Claude especially attractive for a CPA firm with scattered client files, prior-year folders, PDFs, Excel workbooks, voice notes, meeting transcripts, and administrative backlog.

Decision area	Claude Cowork	Microsoft Frontier/Cowork	CPA-firm interpretation
Core architecture	Desktop-based agent working with selected local files, folders, apps, and connectors.	Microsoft 365 agent inside Copilot/Frontier, grounded in Work IQ and Microsoft 365 data.	Microsoft fits the governed firm system of record. Claude fits messy desktop and local-work execution.
Best early users	Tax manager, CAS lead, operations/admin power users, proposal/report writers.	Partners, managers, client-service staff, admin, anyone living in Outlook/Teams/SharePoint.	Start Microsoft broadly; use Claude surgically for high-value users.
Top CPA use cases	Organize workpaper folders, assemble report drafts, parse PDFs, clean Excel files, synthesize research.	Meeting prep, email/calendar actions, Teams/SharePoint search, client follow-ups, task briefings, document creation.	Microsoft is better for firm workflow coordination. Claude is better for deep individual production work.
Primary risk	Local file access, agentic internet access, desktop dependency, Cowork activity not captured in Claude Compliance API at this time.	Preview maturity, evolving functionality, dependency on Microsoft 365 permissions/data hygiene.	Neither should be deployed without WISP updates, client-data rules, and approval workflows.
Recommendation	Pilot with 3 to 5 trained power users under strict data-handling rules.	Pilot with 10 to 20 users if the firm already has Microsoft 365 Business/E3/E5 and tenant governance.	Adopt Microsoft as the core platform; keep Claude as a specialist workbench.

Source basis: Anthropic Claude Cowork product/help/pricing pages; Microsoft Learn Cowork/FAQ, Microsoft Frontier program, Microsoft 365 pricing, and Microsoft Frontier Suite announcement; IRS, FTC, and AICPA security guidance. Full source list appears in the appendix.

1. What Each Product Actually Is

The labels are confusing because both products use the word "Cowork" and Microsoft now uses "Frontier" as both a program and a suite concept. For practical decision-making, use the following definitions.

Term	Working definition for this report
Claude Cowork	Anthropic's agentic AI surface in Claude Desktop. The user gives Claude a goal and Claude works across selected computer files, folders, and applications to produce a finished output. It uses the same agentic architecture associated with Claude Code, but is designed for non-technical knowledge work.
Microsoft Frontier	Microsoft's early-access program for experimental AI features inside Microsoft 365 and Copilot. Admins opt the tenant into Frontier and manage availability. Features can change before general availability.
Microsoft 365 Copilot Cowork	The specific Microsoft agentic work feature available through Frontier. Microsoft describes Cowork as able to carry out multi-step tasks across Microsoft 365, including email, meetings, documents, Teams posts, organization search, deep research, and scheduled prompts.
Microsoft 365 E7: The Frontier Suite	A premium Microsoft bundle announced for May 1, 2026, combining Microsoft 365 E5, Microsoft 365 Copilot, Agent 365, Entra Suite, and advanced security/governance capabilities. This is not the same thing as the Frontier preview program, but it reflects Microsoft's enterprise AI packaging direction.

For this report, the practical Microsoft-side comparator is **Microsoft 365 Copilot Cowork through Frontier**: the agentic Microsoft 365 experience for delegating longer-running work across the firm's tenant, rather than a single-turn chat assistant.

Why this matters to a CPA firm

A 20-person CPA firm is not buying AI for novelty. It is trying to reduce busy-season overload, protect taxpayer data, standardize quality, improve client response times, and avoid creating new compliance exposure. The best tool is therefore not simply the most autonomous tool. The best tool is the one that can be safely embedded into the firm's real operating system: email, calendar, client documents, workpapers, engagement workflows, security controls, and review procedures.

2. Side-by-Side Capability Comparison

The table below compares practical capabilities for a 20-person CPA firm. Scores are directional based on current public product descriptions, not a lab benchmark.

Category	Claude Cowork	Microsoft Frontier/Cowork	Likely winner for CPA firm
Autonomous task execution	Strong. Designed for goals that turn into deliverables across local files and apps; supports long-running tasks and parallel subwork.	Strong but currently preview. Designed to complete multi-step work across Microsoft 365, not just answer questions.	Tie, with Microsoft favored for Microsoft 365 work and Claude favored for local desktop work.
Microsoft 365 integration	Can connect to Microsoft 365/Outlook in Claude plans, but it is not native to the tenant work surface.	Native. Works across Outlook, Teams, Word, Excel, PowerPoint, OneDrive, SharePoint, and Microsoft 365 search.	Microsoft
Local file/folder work	Directly built around local files and folders selected by the user. Can read/write local files and deliver outputs to the filesystem.	Primarily cloud/tenant files in Microsoft 365, with attachments and M365 documents in conversation.	Claude
Email and calendar action	Can support connected workflows, but Microsoft's native Outlook and calendar access is the stronger default for a firm.	Can draft/send emails, schedule meetings, manage calendar, post in Teams, and show previews/approval prompts for sensitive actions.	Microsoft
Excel and workpaper utility	Strong for creating spreadsheets with formulas and cleaning messy files, especially when files are local.	Strong for Excel files inside Microsoft 365 and collaboration contexts; Excel skill is built in.	Tie. Use case decides.
Research and memo drafting	Strong research synthesis across sources and local notes; suited for tax research support with human review.	Strong deep research plus organization search, especially when source files live in SharePoint/OneDrive/Teams.	Tie, with Microsoft better for internal firm knowledge.
Governance posture	Team/Enterprise has SSO, admin controls, audit logs, compliance tooling, custom retention, and no training by default on Team/Enterprise content, but Cowork activity is not captured in the Compliance API at this time per Anthropic help.	Inherits Microsoft permissions, sensitivity labels, Microsoft 365 data-protection posture, admin-controlled Frontier access, action approvals, and Microsoft agent governance direction.	Microsoft
Preview/maturity risk	Available on paid Claude plans across desktop; still agentic and riskier than chat due local actions and internet access.	Explicit preview via Frontier; Microsoft says capabilities may change before general availability.	Claude for availability; Microsoft for enterprise path.
User experience	Best for an individual user assigning a complex desk task and getting back a deliverable.	Best for a firm employee delegating cross-M365 tasks without leaving the firm system of record.	Depends on workflow.

3. Fit for CPA-Firm Workflows

A 20-person CPA firm normally has four AI value pools: tax season throughput, client service, advisory/CAS analysis, and internal administration. The tools overlap, but they create value in different parts of the work.

CPA workflow	Claude Cowork fit	Microsoft Frontier/Cowork fit	Recommended approach
Client intake and organizers	Extracts facts from messy PDFs, scans, notes, or local folders; can create summaries or checklists.	Finds client context in SharePoint/OneDrive/Outlook, drafts follow-up emails, and schedules missing-info meetings.	Use Microsoft for client communications and tracking; Claude for messy document preparation.
Tax return preparation support	Can summarize prior-year files, identify missing documents, organize folders, and create preparer notes.	Can prepare task briefings from M365 data and route communications across Outlook/Teams.	Use both, but prohibit unsupervised tax conclusions or final return positions.
Tax research memo	Strong drafting and synthesis from source files and research. Useful for first-draft memos and comparison tables.	Strong for research grounded in firm templates, client emails, prior memos, and M365 knowledge.	Use human CPA review. Do not treat either as authoritative tax advice.
CAS/monthly close	Cleans and analyzes Excel exports, creates variance summaries, normalizes CSVs, and generates client-facing drafts.	Collaborates through Excel, Teams, Outlook, and SharePoint. Better for repeatable team workflow.	Microsoft for team process; Claude for heavy workbook cleanup.
Audit/assurance support	Summarizes PBC items, memos, minutes, contracts, and workpaper notes. Good for draft narratives.	Finds firm methodology files, drafts meeting updates, and coordinates review tasks.	Use only under strict quality-control review. Avoid unsupported audit evidence conclusions.
Firm administration	Organizes downloads, templates, receipts, reports, and administrative files.	Manages calendar, meetings, Teams updates, daily briefings, email cleanup, scheduled prompts.	Microsoft is the default administrative coworker.
Training and SOPs	Turns scattered notes into training guides, checklists, and job aids.	Publishes and updates materials inside SharePoint/Teams and can search them later.	Claude drafts; Microsoft distributes and governs.

High-value quick wins

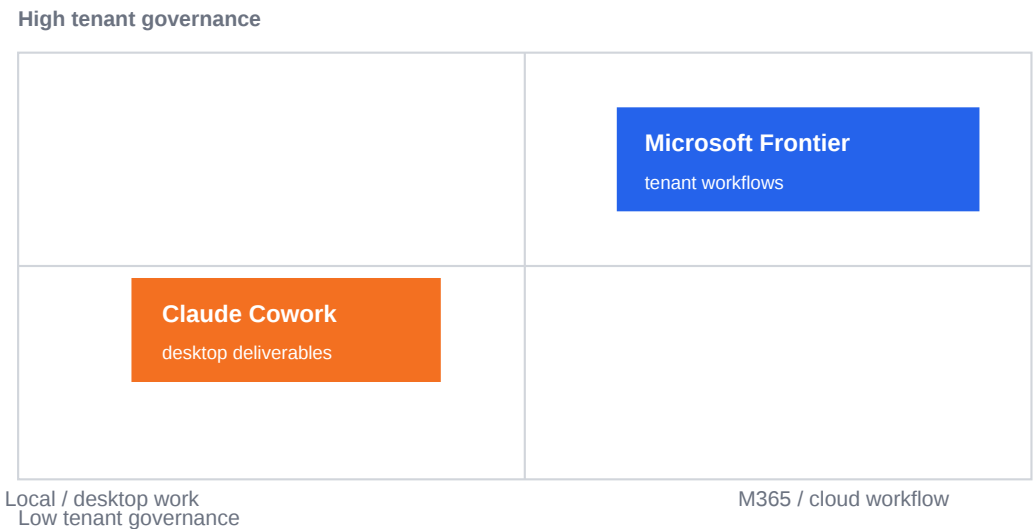
- **Tax-season missing-information triage:** Microsoft searches Outlook/SharePoint and drafts client follow-up; Claude processes local PDF packets and prior-year folders.
- **Prior-year workpaper summarization:** Claude turns folder contents into preparer notes; Microsoft stores output in the engagement folder and notifies the team.
- **Partner meeting prep:** Microsoft creates a briefing from calendar, email, Teams, and SharePoint; Claude can add a deeper file-analysis memo if the partner has local workpapers.
- **Monthly CAS variance review:** Claude cleans messy exports and drafts the analysis; Microsoft creates the client-ready Excel/PowerPoint/email workflow inside M365.
- **Internal SOP cleanup:** Claude assembles rough SOP drafts from messy notes; Microsoft publishes, searches, and governs the approved SOP library.

4. Architecture Difference: Desktop Worker vs. Tenant Worker

The most important difference is architectural. Claude Cowork behaves like a powerful desktop work delegate. Microsoft Frontier/Cowork behaves like a governed Microsoft 365 work delegate.

Dimension	Claude Cowork	Microsoft Frontier/Cowork
Where it runs	Claude Desktop on macOS or Windows. The desktop app must remain open while Claude works.	Microsoft 365 Copilot web, desktop, and mobile experiences, through Frontier preview.
Where it gets context	Local folders/files selected by the user, connected tools, web search/fetch, and project workspaces.	User's Microsoft 365 work graph: emails, calendars, Teams, SharePoint, OneDrive, Office files, connectors, and Work IQ.
Where outputs land	Directly on local filesystem or in generated documents/spreadsheets/presentations.	Inside Microsoft 365 apps and files; can create documents, emails, Teams posts, meetings, folders, PDFs, and scheduled prompts.
User control	Progress indicators, surfaced approach, ability to steer, deletion protection for permanent deletes.	Shows steps in the conversation, requires approval for sensitive actions, allows pause/resume/cancel, and previews content for some actions.
Failure mode	App closed, computer asleep, local-file mistakes, over-broad folder access, unmanaged client data on endpoints.	Preview capability changes, permission sprawl in M365, poor SharePoint hygiene, overreliance on tenant search quality.

Strategic positioning map



Interpretation: Microsoft is better when the job crosses email, calendar, Teams, SharePoint, permissions, and governance. Claude is better when the job starts with a messy folder, scattered files, and a desired deliverable. A CPA firm will likely need both patterns, but not for every employee.

5. CPA-Firm Security, Confidentiality, and Compliance Implications

A CPA firm handles taxpayer data, financial statements, payroll, bank records, SSNs, tax IDs, audit evidence, and privileged business information. The AI decision must therefore be evaluated against confidentiality, client-consent policy, endpoint hygiene, records retention, auditability, and the firm's Written Information Security Plan.

IRS guidance states that protecting client data is the law and points tax professionals to FTC regulations and IRS Publication 4557. The FTC Safeguards Rule requires covered financial institutions to develop, implement, and maintain a written information security program with administrative, technical, and physical safeguards. AICPA & CIMA also describe the GLBA Safeguards Rule as requiring tax preparers to maintain a comprehensive WISP to protect customer and client information.

Control area	Claude Cowork implications	Microsoft Frontier/Cowork implications	Recommended CPA control
Data access boundaries	User-selected local files/folders and connectors can expose sensitive data if folder scope is too broad.	Inherits the user's Microsoft permissions; sensitivity labels can be surfaced.	Define allowed folders, disallowed data types, least-privilege access, and sensitivity label rules before pilot.
Client confidential data	High value for workpapers and PDFs, but local-file autonomy increases need for explicit data-handling rules.	Better for governed M365 data if SharePoint/OneDrive are already managed.	Update engagement letters/client disclosure policy with counsel if confidential client data is shared with any AI vendor.
Human approval	User can steer; deletion protection prompts before permanent deletion.	Approval prompts for sensitive actions such as sending emails, posting Teams messages, and scheduling meetings; previews are shown for some actions.	Require human review before any client communication, final memo, tax position, workpaper conclusion, or document deletion.
Auditability	Enterprise has audit/compliance features, but Anthropic states Cowork activity is not captured in the Compliance API at this time; OTel monitoring is available for Team/Enterprise admins.	Microsoft 365 environment provides familiar admin, compliance, permission, label, and agent-governance direction; Frontier remains preview.	Log pilot tasks manually at first; require outputs to be saved into governed folders.
Endpoint risk	Desktop app, local VM, local files, and app-open requirement make endpoint controls critical.	Lower local endpoint file-write risk for cloud-native work, but browser/app access still matters.	Require MFA, device encryption, EDR/AV, patching, least privilege, backup, and WISP documentation.
Preview/product-change risk	Agentic risks due to internet access and local file changes; availability tied to paid Claude plans and desktop support.	Explicit preview through Frontier; capabilities and availability may change.	Pilot before production; avoid building critical compliance processes on preview-only behavior.

Non-negotiable guardrails for a CPA pilot

- **No autonomous client communication:** AI can draft, but a responsible employee approves every client-facing email, Teams message, portal message, or letter.
- **No final tax or audit conclusions:** AI can summarize and draft; licensed professionals own professional judgment, review, and sign-off.
- **No unmanaged client data in personal accounts:** Use business/enterprise plans only. Do not allow staff to use consumer AI accounts for client records.
- **Folder scoping:** Claude Cowork should be given narrow working folders, not broad access to the entire client drive or downloads folder.
- **M365 hygiene first:** Microsoft Frontier/Cowork is only as safe as the firm's SharePoint permissions, sensitivity labels, retention policies, and data classification.
- **WISP update:** Document AI vendor use, acceptable data, review requirements, incident process, training, logging, and vendor-risk review in the firm's WISP.

6. Cost Model for a 20-Person CPA Firm

The costs below use public pricing as of the research date. They exclude taxes, implementation, security remediation, training, third-party connectors, Azure metered agent usage, and any nonpublic discounting. Microsoft promotional pricing may expire or vary by market.

Scenario	License basis	20-person monthly software estimate	Best use
Claude Team - all Standard	\$20/user/month annual or \$25 monthly. Includes Claude Cowork.	\$400/month annual-price basis; \$500/month monthly basis.	Low-cost broad access where local-file tasks matter and firm accepts governance setup.
Claude Team - mixed power-user model	16 Standard seats at \$20 + 4 Premium seats at \$100 annually; Premium has 5x standard usage.	\$720/month annual-price basis.	Best Claude pilot model: managers/power users get Premium; staff get Standard or no license initially.
Claude Team - all Premium	\$100/user/month annual or \$125 monthly.	\$2,000/month annual-price basis; \$2,500/month monthly basis.	Rarely justified for all 20 users unless the firm heavily delegates work to Claude every day.
Microsoft 365 Copilot Business add-on only	Public Microsoft page shows \$21/user/month list, discounted to \$18/user/month paid annually during the cited offer; requires qualifying M365 plan.	\$360/month at \$18 promo; \$420/month at \$21 list.	Best if the firm already has qualifying Microsoft 365 licenses. Frontier access requires admin opt-in and eligibility.
Microsoft Business Premium + Copilot Business bundle	Microsoft page shows Business Premium + Copilot Business at \$43/user/month list and \$32/user/month discounted during cited offer.	\$640/month at \$32 promo; \$860/month at \$43 list.	Best for firms upgrading into Microsoft 365 security + Copilot together.
Microsoft 365 E7: Frontier Suite	Microsoft announced E7 generally available May 1, 2026 at \$99/user/month.	\$1,980/month.	Enterprise-style suite with E5, Copilot, Agent 365, Entra Suite, and advanced security. Likely overkill for many 20-person firms unless they need E5-grade controls.

Cost interpretation

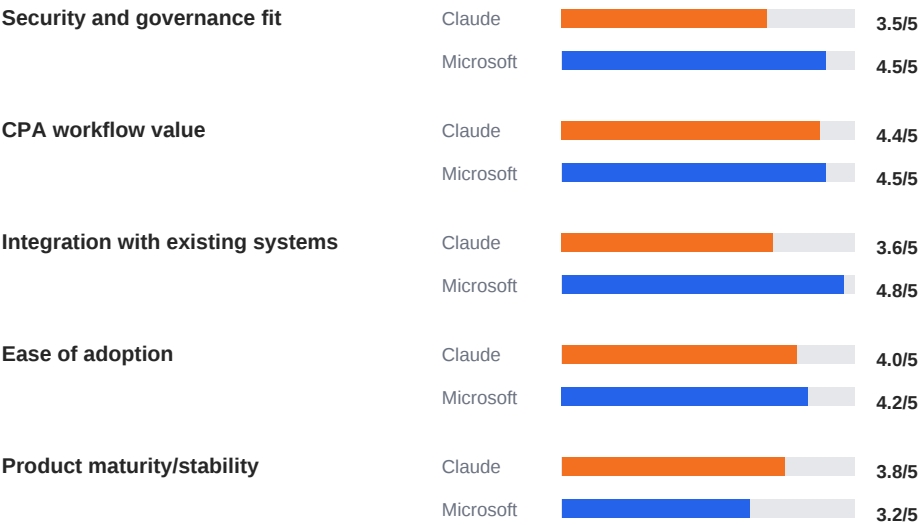
Pure license cost does not settle the decision. Microsoft may be cheaper or comparable if the firm already owns Microsoft 365 and only needs Copilot Business seats. Claude may look less expensive for Team Standard seats, but it can require more policy work around local file access, endpoint controls, and monitoring. Microsoft Frontier/Cowork may require less workflow change for staff who already live in Outlook, Teams, Excel, Word, and SharePoint, but its Frontier status introduces preview risk.

Recommended cost pattern: Start with 10 Microsoft Frontier/Cowork users if licensing and tenant opt-in are available, plus 3 to 5 Claude Cowork power users. This gives the firm data from both operating models without paying for all-premium access everywhere.

7. Weighted Decision Matrix

This scoring weights a typical 20-person CPA firm that already uses Microsoft 365 and needs a safe, practical busy-season AI rollout. Adjust the weights if the firm has a different tech stack or unusually heavy local-file workflows.

Criteria	Weight	Claude Cowork score	Microsoft Frontier/Cowork score	Rationale
Security and governance fit	25%	3.5/5	4.5/5	Microsoft wins due permission inheritance, M365 labels, admin controls, and governance path. Claude has strong enterprise controls but local agentic work adds risk.
CPA workflow value	20%	4.4/5	4.5/5	Both are valuable. Claude is better for messy production tasks; Microsoft is better for email, meetings, files, and team workflow.
Integration with existing systems	20%	3.6/5	4.8/5	Most 20-person firms are deeply tied to Outlook, Excel, Teams, and SharePoint/OneDrive.
Ease of adoption	15%	4.0/5	4.2/5	Claude is easy for power users. Microsoft is easier for broad staff if M365 hygiene is decent.
Cost predictability	10%	3.8/5	4.0/5	Claude subscriptions are straightforward but usage limits matter. Microsoft business add-on pricing can be predictable; metered agents/connectors may add complexity.
Product maturity / stability	10%	3.8/5	3.2/5	Claude is available to paid plans; Microsoft Cowork is explicitly a Frontier preview and may change.



Weighted result

Microsoft Frontier/Cowork: 4.35 / 5. Best firm-wide operating layer for Microsoft 365-centric CPA firms.

Claude Cowork: 3.88 / 5. Best specialist workbench for high-output professionals dealing with messy local files, research, and deliverable creation.

This does not mean Microsoft is universally better. It means Microsoft is the safer default firm-wide platform for a 20-person CPA firm with Microsoft 365 as its operational backbone. Claude can produce outsized returns in the hands of managers and analysts who know how to scope work, check outputs, and protect client data.

8. Risk Register

Risk	Likelihood	Impact	Product most exposed	Mitigation
AI drafts an incorrect tax position or memo conclusion	Medium	High	Both	CPA review required; cite primary sources; prohibit final unsupervised conclusions.
Client confidential data is entered into the wrong account or unmanaged AI tool	Medium	High	Both	Business/enterprise accounts only; block consumer AI where needed; train staff.
Claude modifies or reorganizes files incorrectly	Medium	Med-high	Claude	Use duplicate/sandbox folders; require backups; limit folder scope; review deletion prompts.
Microsoft finds overshared SharePoint data because permissions are too broad	Medium	High	Microsoft	Run permission review; use least privilege; sensitivity labels; restrict old client folders.
Cowork sends or posts client/internal communication prematurely	Low-med	High	Microsoft	Keep action approvals on; prohibit skip-prompt for client-facing actions during pilot.
Preview feature changes break workflows	Medium	Medium	Microsoft	Do not build mandatory workflows on Frontier-only features until GA; document fallback process.
Employee overtrusts AI and stops performing professional review	High	High	Both	Training, checklists, peer review, partner sign-off, output quality sampling.
Usage limits or cost overruns interrupt busy-season workflow	Medium	Medium	Claude/API; Microsoft metered agents	Track usage weekly; define high-value use cases; start with power-user pilot.
Records retention gap for AI work product	Medium	High	Both	Save final outputs and prompts/assumptions into engagement folders where required.

Risk conclusion

The biggest risk is not that either tool is "unsafe" in the abstract. The biggest risk is deploying autonomous work agents into a CPA firm without first cleaning permissions, defining human review, controlling client data, and updating the WISP. The more autonomous the agent, the more the firm must treat AI as a governed operational system rather than a productivity toy.

9. Recommended 90-Day Pilot Plan

The pilot should compare outcomes, not tool demos. The goal is to determine which platform reduces cycle time and improves quality without weakening data safeguards.

Phase	Weeks	Actions	Success criteria
1. Governance setup	1-2	Update AI acceptable-use policy; identify approved data types; review WISP; confirm client-data and disclosure stance with counsel; map SharePoint permissions; define pilot users.	Policy approved; user list defined; prohibited uses documented; baseline metrics selected.
2. Microsoft Frontier/Cowork pilot	3-6	Enable Frontier for selected users; pilot meeting prep, email drafting, calendar management, Teams updates, SharePoint search, client follow-up drafts, and daily briefings.	25% reduction in meeting-prep time; fewer missed follow-ups; no unauthorized client sends; user satisfaction above 4/5.
3. Claude Cowork power-user pilot	3-6	Install Claude Desktop for 3-5 power users; restrict folder access; test workpaper folder organization, PDF extraction, Excel cleanup, report drafts, and research memo drafts.	30% reduction in document-prep time for target tasks; outputs require fewer than two review cycles; no file-loss incidents.
4. Combined workflow tests	7-10	Run paired workflows: Claude processes messy files; Microsoft stores, routes, and communicates. Test CAS report, tax missing-info triage, and internal SOP creation.	Demonstrated repeatable workflow with saved prompts, review checklist, and owner roles.
5. Decision and scale	11-13	Compare metrics, incidents, user adoption, license utilization, security exceptions, and partner feedback. Decide firm-wide standard and specialist licenses.	Go/no-go decision; budget; deployment roadmap; training calendar; WISP updates finalized.

Pilot user design

- **Microsoft group:** 10 to 20 users, including partners, managers, admin, and client-facing staff. Purpose: evaluate everyday workflow acceleration inside Microsoft 365.
- **Claude group:** 3 to 5 power users, including one tax manager, one CAS/advisory lead, one operations/admin user, and optionally one partner. Purpose: evaluate high-effort local-file and deliverable workflows.
- **Control group:** 3 to 5 comparable staff who continue current workflow for baseline timing and quality comparison.
- **Review group:** one partner, one security/IT owner, and one workflow champion responsible for quality sampling and guardrail enforcement.

Metrics to track

Metric	How to measure	Why it matters
Time to prepare client meeting	Minutes from request to approved prep packet.	Tests Microsoft's Work IQ and Claude's file synthesis.
Missing-info follow-up cycle time	Hours from identifying missing items to approved client draft.	Direct tax-season throughput metric.
Document prep time	Time to organize files, summarize PDFs, clean workbook, or draft memo.	Shows Claude's specialist value.
Review rework rate	Number of review comments or revision cycles per AI-assisted deliverable.	Quality metric; prevents speed-only adoption.
Unauthorized action incidents	Any email/post/file action outside policy.	Safety and compliance metric.
User adoption	Weekly active users and task count by use case.	Determines who actually benefits.
Client response time	Average time from client inquiry to approved response.	Measures service improvement.

10. CPA-Specific Example Workflows

The following workflows illustrate how the tools should be used differently. These are not vendor instructions; they are operating patterns for a CPA firm.

Workflow	Use Claude Cowork for...	Use Microsoft Frontier/Cowork for...	Human checkpoint
Tax missing-info triage	Read a scoped folder of client PDFs and prior-year notes; produce a missing-items checklist.	Find relevant Outlook threads and SharePoint files; draft the client email; schedule follow-up if needed.	Tax preparer approves missing-items list and client email.
CAS monthly close report	Clean exported CSVs, create Excel formulas, draft variance explanations from local exports.	Create the client-facing workbook/PowerPoint, route through Teams, and draft the delivery email.	Manager verifies numbers, formulas, and explanations.
Research memo draft	Synthesize source files, statutes/guidance supplied by staff, and notes into a draft memo outline.	Find prior firm memos/templates and build final draft in Word; assign review task.	CPA signs off on sources, citations, reasoning, and final position.
Client onboarding	Organize scanned onboarding docs and extract structured facts.	Create onboarding task list, schedule kickoff, send internal Teams update, draft welcome email.	Admin or manager validates client info and approvals.
Busy-season partner briefing	Analyze local client packet or prior-year notes for anomalies and questions.	Produce daily briefing from calendar, emails, Teams, and SharePoint.	Partner reviews assumptions before client meeting.
Internal SOP refresh	Turn scattered notes and screenshots into first-draft SOP.	Publish SOP to SharePoint, announce in Teams, and schedule training reminder.	Ops lead approves final SOP.

Example acceptable-use language

Employees may use approved firm AI tools to summarize, organize, draft, and analyze information for internal review. Employees may not rely on AI as the final authority for tax advice, audit evidence, attest conclusions, client communications, legal interpretation, or professional judgment. Confidential client information may be used only in approved business/enterprise AI environments and only for approved workflows. All client-facing outputs require human review before release.

11. Final Recommendation

Recommended decision: Adopt a **Microsoft-first, Claude-specialist** strategy.

Decision	Recommendation
Firm-wide default	Microsoft Frontier/Cowork, assuming the firm is already Microsoft 365-centric and can access Frontier. It should become the daily assistant for meetings, email, calendar, Teams, SharePoint/OneDrive search, and routine document workflows.
Specialist workbench	Claude Cowork for 3 to 5 power users who perform high-effort document/file tasks: tax managers, CAS/advisory leads, operations, and partners who synthesize complex client materials.
Do not do	Do not deploy either tool as an unsupervised tax preparer, auditor, client-service representative, or autonomous file manager across the whole client drive.
Budget posture	Pilot with limited seats first. Avoid all-user Claude Premium or Microsoft E7 unless usage data proves the value.
Governance posture	Treat AI as part of the firm's information security program. Update WISP, define approved data, create review checkpoints, and log pilot use cases.
Scale trigger	Scale only after the firm proves measurable time savings, acceptable rework rate, no material incidents, and partner confidence in output quality.

Why Microsoft should lead

For a 20-person CPA firm, the operating center is typically Microsoft 365: Outlook for client communications, Teams for internal coordination, SharePoint/OneDrive for documents, Excel for analysis, Word for letters and memos, and PowerPoint/PDF for client deliverables. Microsoft Frontier/Cowork is designed to work across that environment and inherit user permissions. That makes it better suited as the firm-wide coordination layer.

Why Claude still matters

Claude Cowork can create major leverage where Microsoft 365 alone is not the whole story: local downloads, scanner folders, prior-year document dumps, messy PDFs, exported CSVs, non-standard client documents, and complex deliverable assembly. In the right hands, Claude can act like an analyst sitting next to the CPA. But it should be scoped, supervised, and restricted to trained users.

Board-level conclusion

If the firm must pick one today, choose **Microsoft Frontier/Cowork** for the core rollout. If the firm wants the highest operational lift, choose a **hybrid pilot**: Microsoft for everyone who coordinates work, Claude for the few people who transform messy information into finished work.

Appendix A - Source Notes

The report relies primarily on vendor and regulator sources available as of June 1, 2026. Product capabilities, preview availability, and prices may change.

#	Source	Key facts used
1	Anthropic - Claude Cowork product page https://www.anthropic.com/product/claude-cowork	Claude Cowork handles tasks autonomously, works on computer/local files/applications, and targets file organization, document preparation, research synthesis, and extraction from unstructured files.
2	Anthropic Help - Get started with Claude Cowork https://support.claude.com/en/articles/13345190-get-started-with-claude-cowork	Paid-plan availability; desktop requirements; local file access; isolated VM; sub-agent coordination; long-running/scheduled tasks; projects; usage limits; safety caveats; Cowork activity not captured in Compliance API at this time.
3	Anthropic pricing https://claude.com/pricing	Claude Pro/Max/Team/Enterprise pricing and security/admin features; Team Standard/Premium seat pricing; includes Claude Cowork; no model training on Team content by default.
4	Microsoft Learn - Copilot Cowork overview (Frontier) https://learn.microsoft.com/en-us/microsoft-365/copilot/cowork/	Frontier preview requirement; Cowork capabilities across email, meetings, documents, Teams, organization search, research, automation, skills, action approvals, and M365 availability.
5	Microsoft Learn - Copilot Cowork FAQ https://learn.microsoft.com/en-us/microsoft-365/copilot/cowork/cowork-faq	Copilot Chat vs Cowork distinction; skills; custom skills up to 50; permission inheritance; supported files; mobile/web/desktop access; approval prompts; task management.
6	Microsoft Frontier program https://www.microsoft.com/en-us/microsoft-365-copilot/frontier-program	Frontier is tenant/admin-controlled early access to evolving Microsoft 365/Copilot AI features that may change before general availability.
7	Microsoft Official Blog - First Frontier Suite https://blogs.microsoft.com/blog/2026/03/09/introducing-the-first-frontier-suite-built-on-intelligence-trust/	Microsoft announced Wave 3, Claude model availability via Frontier, Copilot Cowork in research preview, Agent 365, and Microsoft 365 E7: The Frontier Suite at \$99/user/month.
8	Microsoft 365 Copilot pricing https://www.microsoft.com/en-us/microsoft-365-copilot/pricing	Microsoft 365 Copilot Business add-on pricing and Microsoft 365 Business bundles with Copilot; qualifying Microsoft 365 plan required.
9	IRS - Protect your clients; protect yourself https://www.irs.gov/tax-professionals/protect-your-clients-protect-yourself	IRS states protecting client data is the law and directs professional tax preparers to FTC regulations and IRS Publication 4557.
10	FTC - Safeguards Rule: What Your Business Needs to Know https://www.ftc.gov/business-guidance/resources/ftc-safeguards-rule-what-your-business-needs-know	Safeguards Rule requires covered financial institutions to develop, implement, and maintain a written information security program with administrative, technical, and physical safeguards.
11	IRS - Tax Security 2.0 checklist https://www.irs.gov/tax-professionals/tax-security-2-point-0-the-taxes-security-together-checklist	Security Six measures and federal requirement for professional tax preparers to create and maintain a data security plan.
12	AICPA & CIMA - GLBA and FTC Safeguards Rule https://www.aicpa-cima.com/resources/landing/gramm-leach-bliley-act-glba-and-the-safeguards-rule	AICPA & CIMA summarizes WISP obligations for tax preparers under GLBA/FTC Safeguards Rule.

Appendix B - Procurement Checklist

Area	Question to answer before signing
Licensing	Which users need AI daily? Which only need chat? Which need agentic Cowork? What is the annual commitment and renewal date?
Data retention	How long are prompts, files, generated outputs, logs, and task histories retained? Can the firm control retention?
Training use	Is firm/client content used to train models by default? Is there a contractual guarantee?
Access control	Does the product inherit M365 permissions or require separate connectors? Can admins restrict local and remote connectors?
Audit/logging	Can the firm review user activity, generated outputs, connector use, and admin changes? What activity is excluded?
Client confidentiality	Does the firm need client disclosure or consent for use of AI vendors on confidential client information?
Endpoint controls	For Claude Cowork, are pilot devices encrypted, patched, backed up, protected by EDR/AV, and restricted to approved folders?
M365 hygiene	For Microsoft Frontier/Cowork, are SharePoint/OneDrive permissions clean enough to prevent oversharing?
Incident response	How would the firm respond if AI sends, exposes, deletes, or alters client information incorrectly?
Quality control	Who reviews tax, audit, assurance, advisory, and client-facing AI outputs? How is review evidence stored?

Appendix C - Final Decision Framework

Use this shorthand when deciding where each tool belongs.

Question	If yes, prefer...
Does the task involve Outlook, Teams, calendar, SharePoint, OneDrive, internal search, or client communication routing?	Microsoft Frontier/Cowork
Does the task involve a messy local folder, downloaded files, scanned PDFs, exported CSVs, or document assembly outside the firm's clean M365 structure?	Claude Cowork
Does the task require strict permission inheritance, sensitivity labels, and firm-wide admin control?	Microsoft Frontier/Cowork
Does the task require a power user to leave an agent working on a complex deliverable while they do something else?	Claude Cowork
Is the output client-facing, tax-position-related, audit-related, or assurance-related?	Either may draft, but a qualified human must review and approve.
Is the workflow mission-critical and dependent on preview-only behavior?	Avoid production dependency until the feature is generally available and governed.