



What's New in Microsoft 365 March 2026 Updates

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Teams Updates

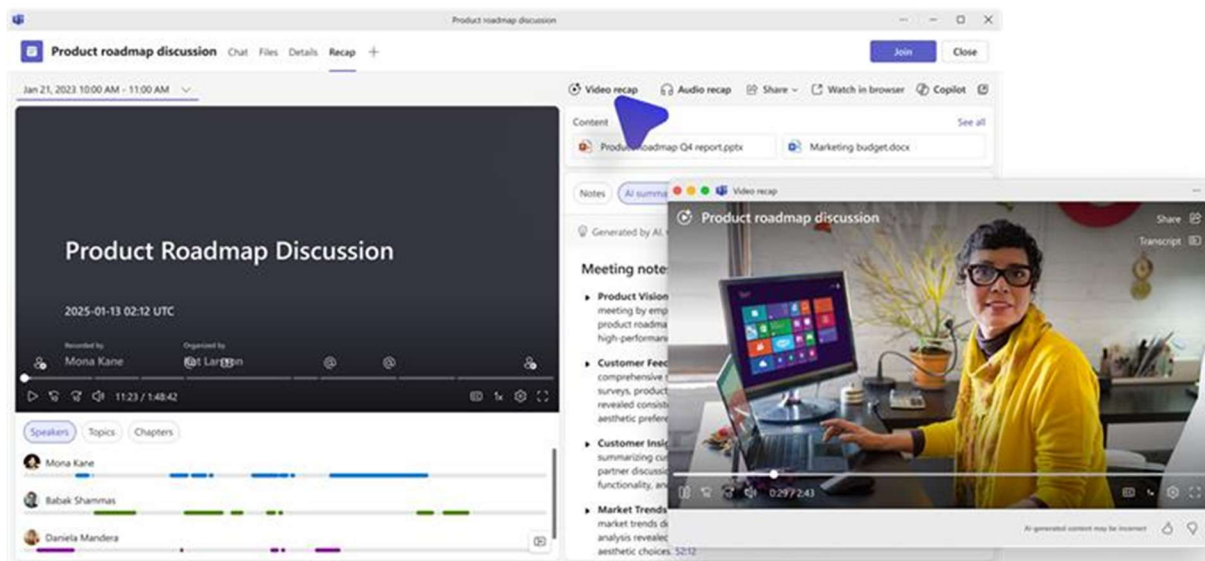
1. Introducing video recap for Microsoft Teams meetings

New Feature

How this will affect your organization

We are introducing video-based meeting recaps in Microsoft Teams to help users quickly catch up on meetings they missed or revisit key moments. Video recap creates narrated video highlights from recorded meetings, combining key takeaways with short video clips that showcase important discussion points.

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When will this happen:

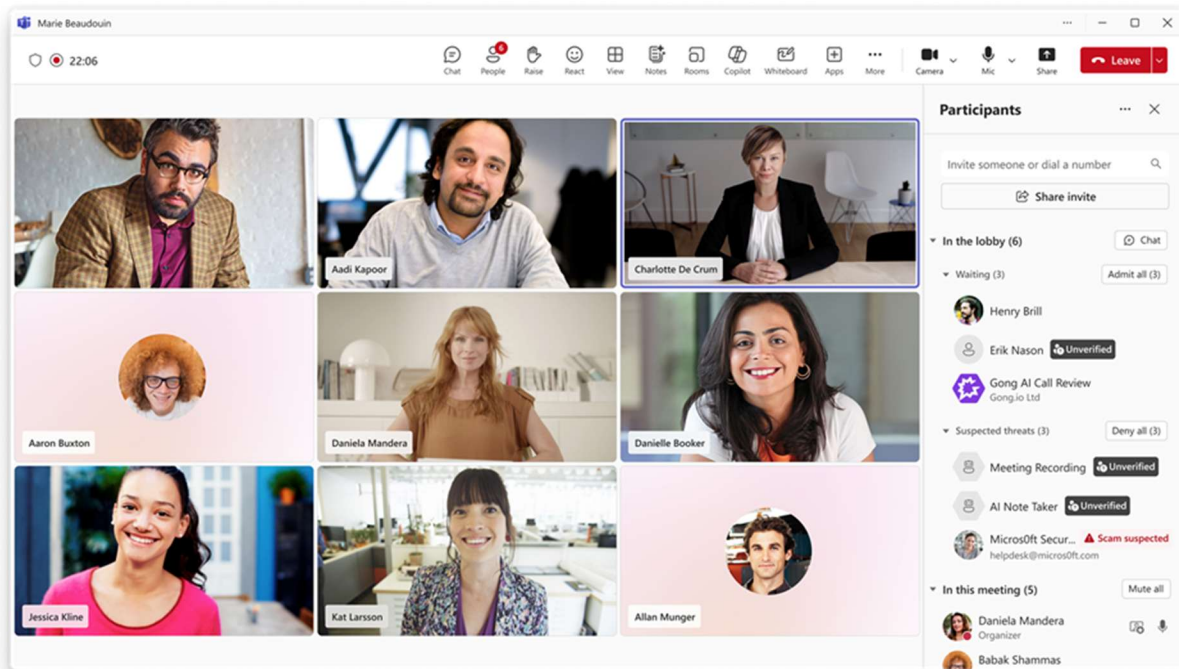
late April 2026 and expect to complete by early May 2026.

2. Identify external bots joining your Teams meetings

New Feature

How this will affect your organization

To help organizations protect meeting content and increase visibility into automated participants, Microsoft Teams is introducing a new capability that **detects external meeting assistant bots** as they attempt to join meetings. This update gives organizers **greater awareness and control** and **provides administrators with clear controls** to manage how detected bots are handled in meetings hosted across the organization.



When will this happen:

early June 2026 and expect to complete by mid-June 2026.

3. Manage multiple phone numbers within one Teams account

New Feature

How this will affect your organization

Teams Phone user multi-line provides greater flexibility for organizations whose users manage multiple business numbers. This capability allows administrators to assign up to 10 telephone numbers to a single Teams Phone user, all within one Teams account. Users can make and receive calls from multiple numbers across Teams desktop, Teams mobile, and Teams devices without switching accounts or hardware.

When will this happen:

late April 2026 and expect to complete by mid-May 2026.

4. Catch up in Teams mobile

New Feature

How this will affect your organization

This new, consolidated view helps users triage conversations that need their attention across chats, meeting chats, and followed channels or threads.



When will this happen:

early May 2026; expected completion in early May 2026.



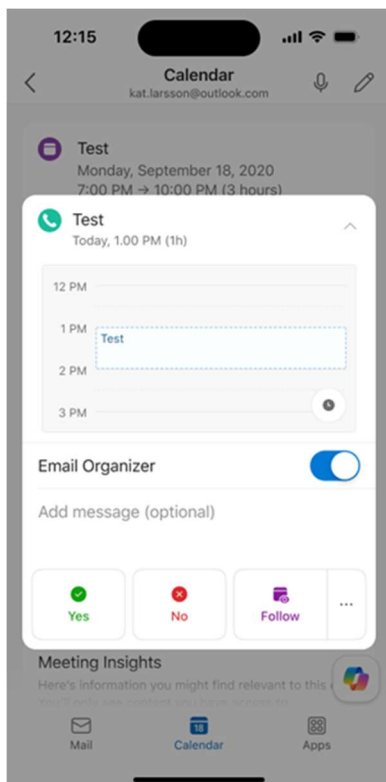
Microsoft Outlook

1. Outlook Mobile: Follow a meeting option

New Feature

How this will affect your organization

This feature helps users stay informed when they cannot attend by prompting organizers to record the meeting and by ensuring followers receive key updates and follow-up items.



When will this happen:

mid-April 2026 (previously mid-March) and is expected to complete by end of April 2026 (previously mid-April).



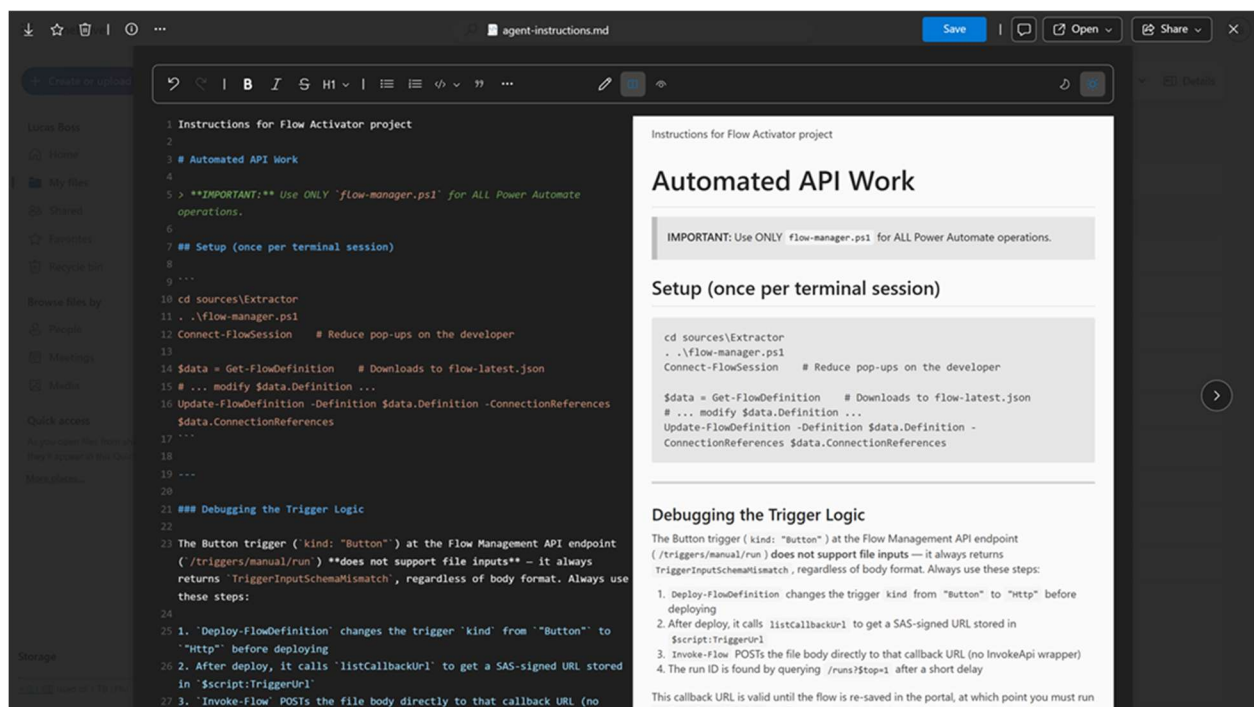
Microsoft 365 Apps

1. View and edit Markdown files in OneDrive and SharePoint

New Feature

How this will affect your organization

OneDrive and SharePoint now support viewing and editing Markdown (.md) files directly in the browser. No downloads or third-party tools are needed.



When will this happen:

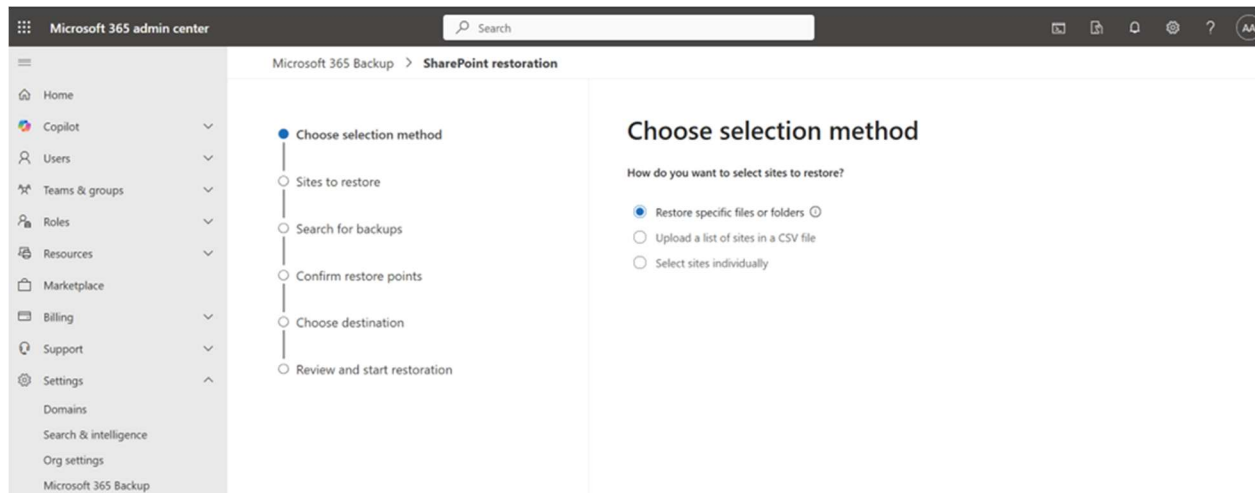
mid-April 2026 and is expected to complete by late May 2026.

2. Targeted file and folder restores in Microsoft 365 Backup

New Feature

How this will affect your organization

Microsoft is introducing granular restore capabilities in Microsoft 365 Backup, allowing administrators to browse, search, and restore individual files or folders from restore points for protected SharePoint sites and OneDrive accounts



When will this happen:

late April 2026 and expect to complete by early May 2026.

3. Retirement of SharePoint One-Time Passcode (SPO OTP) and transition to Microsoft Entra B2B

New Feature

How this will affect your organization

Retiring SharePoint One-Time Passcode (SPO OTP) authentication in OneDrive and SharePoint starting July 2026. Beginning in May 2026, new external sharing invitations and authentication will start using Microsoft Entra B2B instead of SPO OTP.

- **May 2026:** Invitation and authentication for new external sharing begins transitioning to Microsoft Entra B2B. Users who previously authenticated via SPO OTP will continue to have access to specific people links even without a B2B guest account yet.
- **July 2026:** Retirement of SPO OTP authentication begins. External users without a guest account get access denied on previously shared specific people links. To restore access, a guest account must be created in Entra B2B, or an allowed user must share/re-share at least one file/folder/site.

When will this happen:

Retirement is expected to complete by August 31, 2026.

4. Set expiration policies for "People in your organization" sharing links in SharePoint and OneDrive

New Feature

How this will affect your organization

To help organizations reduce the risk of unintended long-term access to internal content, Microsoft is introducing expiration policies for “People in your organization” sharing links in SharePoint and OneDrive. This update enables administrators to automatically expire these sharing links after a defined period, supporting stronger data governance and minimizing exposure from stale links.

When will this happen:

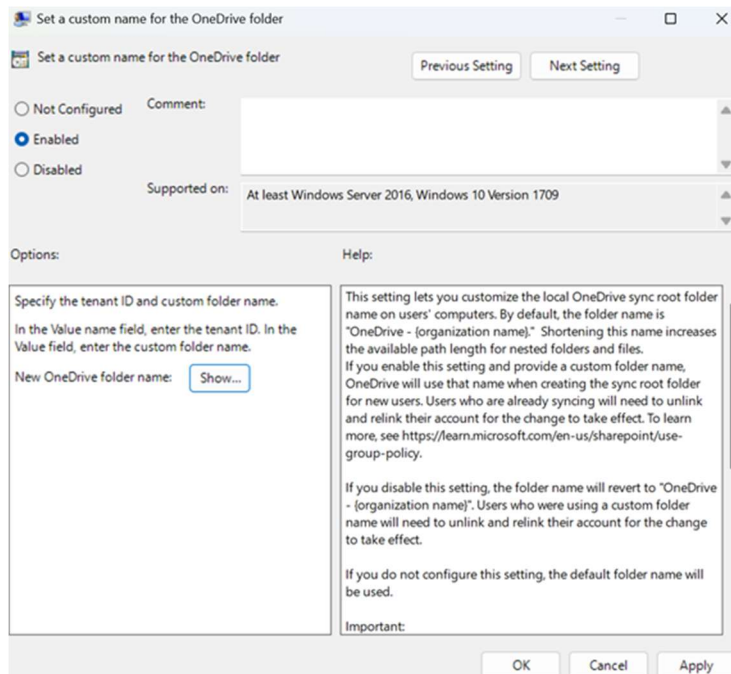
mid-March 2026 and expect to complete by late June 2026.

5. Set a custom name for the OneDrive sync folder

New Feature

How this will affect your organization

To help reduce Windows file path length issues and improve the local file system experience, IT admins can now set a custom name for the local OneDrive sync root folder on users’ Windows devices using the policy Set a custom name for the OneDrive sync folder with the String ID CustomSyncRootFolderName. Today, the default folder name (“OneDrive – (organization name)”) can contribute to path length constraints in deeply nested folder structures.



When will this happen:

mid-March 2026 and complete on March 18, 2026 (previously early April).

6. Improved OneDrive sync experience for macOS users

New Feature

How this will affect your organization

Refreshing the OneDrive Activity Center on macOS. This redesign brings a cleaner, more intuitive way to check sync status, manage files, and resolve issues, right from your desktop.

When will this happen:

early April 2026 and expect to complete by late May 2026.



Microsoft Edge

1. Cross-tenant support using Intune Mobile Application Management (MAM)

New Feature

How this will affect your organization

This update allows organizations to apply Intune App Protection Policies to Edge work profiles even when the device is managed by another tenant. This capability helps protect corporate data in cross-tenant scenarios such as contractors, partners, or mergers, without requiring additional device enrollment or disrupting the end-user experience.

Learn More: <https://learn.microsoft.com/en-us/deployedge/microsoft-edge-cross-tenant-support-using-intune-mam>

When will this happen:

early April 2026 and expect to complete by mid-April 2026.



Microsoft Intune

1. Prepare devices for successful updates with Windows Autopatch update readiness

New Feature

How this will affect your organization

Designed to help IT teams proactively prepare devices for upcoming Windows updates, update readiness surfaces risks and blockers before updates are deployed, reducing failures, downtime, and reactive troubleshooting.

Learn More:

<https://learn.microsoft.com/en-us/windows/deployment/windows-autopatch/monitor/windows-autopatch-update-readiness-overview>

Home > Devices | Windows updates

Autopatch update readiness | Update readiness checkup

Update type: Quality update | Target release: 2026.02.B

[Run checkup](#)

Readiness checkup overview

- 65** Checkup passed for regular quality update [View devices](#)
- 225** Checkup failed for regular quality update [View devices](#)
- 320** Total number of devices assessed
- 61** Checkup passed for quality update with hotpatching [View devices](#)

Checkup failed for regular quality update (225 items)

Device name	OS version	Last check-in
	10.0.26200.7093	12/01/2025, 06:07:07 PM
	10.0.19045.6809	01/26/2026, 09:36:27 PM
	10.0.22631.6060	10/28/2025, 06:28:07 PM
	10.0.26100.1	02/12/2026, 03:34:19 AM
	10.0.26100.6899	10/28/2025, 11:01:46 PM
	10.0.26494.1000	02/11/2026, 09:24:00 PM
	10.0.22631.6060	11/06/2025, 05:12:29 PM
	10.0.26200.7171	11/16/2025, 10:06:41 PM
	10.0.26100.7462	01/05/2026, 06:37:00 PM
	10.0.26100.1	11/06/2025, 01:38:05 AM
	10.0.22631.6060	11/16/2025, 05:13:04 PM
	10.0.19045.2904	10/28/2025, 06:40:11 PM
	10.0.26100.1742	11/30/2025, 05:25:08 PM
	10.0.26200.6899	01/07/2026, 10:50:38 PM

When will this happen:

Capabilities light up within the Windows Autopatch blade in the Microsoft Intune admin portal starting March 2, 2026



Microsoft Entra

1. Passkeys in Microsoft registration campaigns

New Feature

How this will affect your organization

Microsoft Registration Campaigns will support Passkeys (FIDO2) as an additional authentication method, enabling phishing-resistant credentials. Eligible Microsoft 365 tenants can opt users into Passkey registration nudges during sign-in.

Who is affected

- Microsoft 365 tenants using Microsoft Registration Campaigns
- Tenants configured in either **Microsoft-managed** or **Enabled** states

- Users who are **MFA-capable** and **eligible for Passkeys (FIDO2)**

What will happen

Microsoft-managed state

Your tenant will be impacted **when all of the following conditions are met:**

- The **Passkeys (FIDO2) authentication method policy** is enabled.
- **Allow self-service setup** is enabled.
- **Target specific AAGUIDs** is **not** selected (no AAGUID restrictions configured).
- The **Authentication Methods Registration Campaign** state is set to **Microsoft-managed**.

When these conditions are met, the following settings will update automatically:

- The targeted **authentication method** will change from **Microsoft Authenticator** to **Passkeys (FIDO2)**.
- **Days allowed to snooze** will change from three days to **one day**. (This setting will no longer be configurable.)
- **Limit number of snoozes** will be **disabled**. (This setting will no longer be configurable.)
- Targeting will expand to **all MFA-capable users**. (This setting will no longer be configurable.)
- Default user targeting will change from **voice call or text message users** to **all multifactor authentication (MFA)–capable users**.

Affected users will receive Passkey registration nudges at sign-in after completing MFA.

When will this happen:

early April 2026 and expect to complete in late May 2026.

2. Entra Backup and Recovery

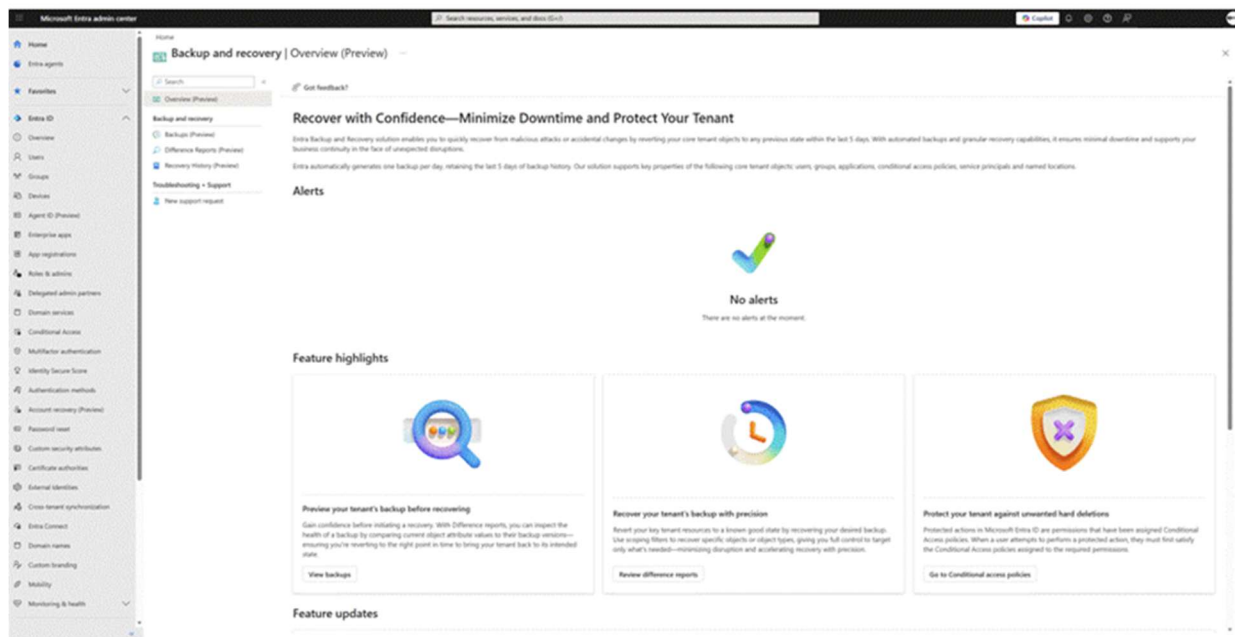
New Feature

How this will affect your organization

Microsoft Entra Backup and Recovery helps you build identity resilience into daily operations using an always-on, Microsoft-managed solution that rapidly restores critical identity objects to a known-good state. It provides automatic backups, point-in-time visibility into configuration changes, and backups are protected by a built-in safeguard that prevents them from being disabled, deleted, or altered. This helps reduce recovery time and maintain business continuity.

For Public Preview, we are announcing new capabilities that help you recover with confidence: Restoring core directory objects 1 backup a day within the last 5 days, including users, groups, applications, service

principals, Conditional Access policies, authentication method policy, authorization policy, and named locations.



Learn more:

<https://techcommunity.microsoft.com/blog/microsoft-entra-blog/strengthen-identity-resilience-recover-with-confidence-using-microsoft-entra-bac/4462426>

When will this happen:

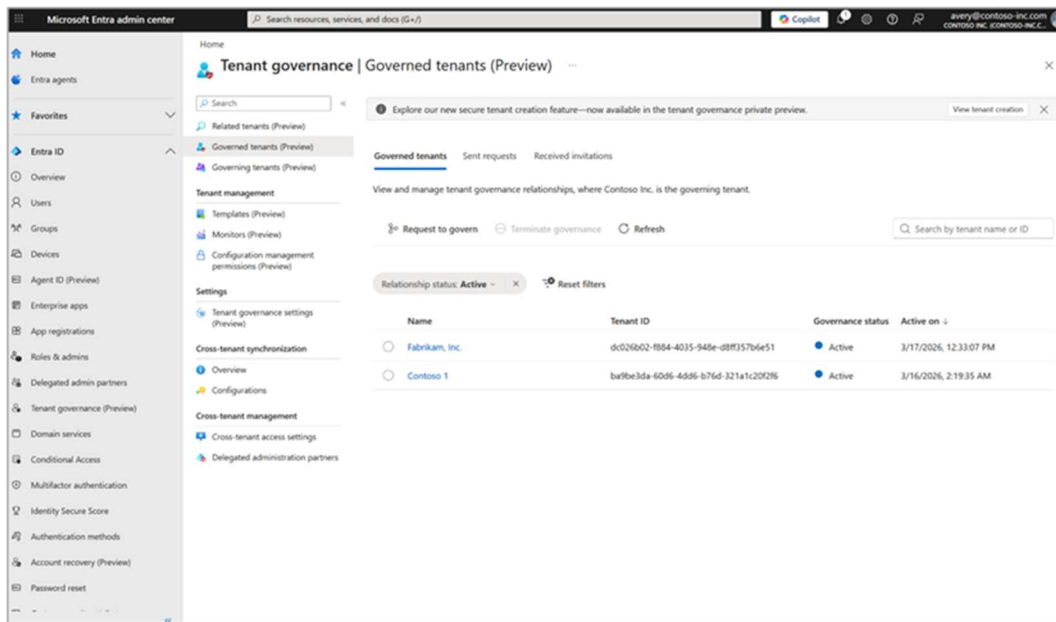
Public Preview

3. Microsoft Entra Tenant Governance

New Feature

How this will affect your organization

Mergers, acquisitions, and the rise of shadow IT often lead to a fragmented tenant landscape. Microsoft Entra Tenant Governance addresses this challenge by providing a centralized, risk-informed way to discover, govern, and continuously secure all related tenants.



Learn more:

- <https://techcommunity.microsoft.com/blog/microsoft-entra-blog/microsoft-entra-tenant-governance-secure-and-manage-multi-tenant-environments-at/4462427>

When will this happen:

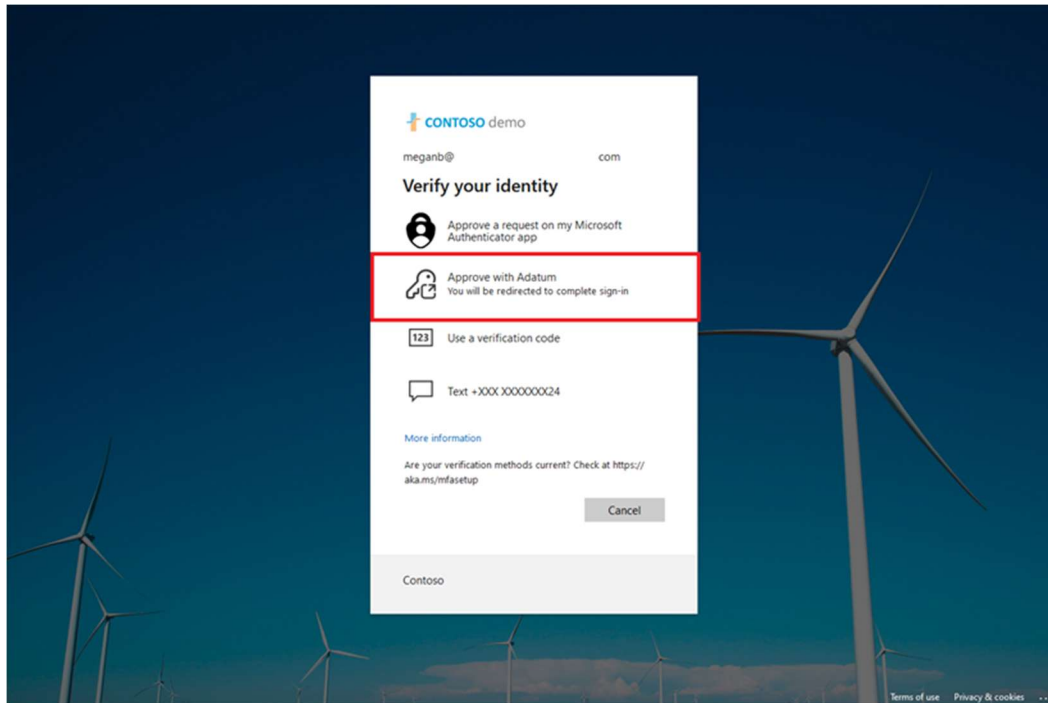
Public Preview

4. External MFA in Microsoft Entra ID is now Generally Available

New Feature

How this will affect your organization

Now, with the GA of external multifactor authentication (external MFA)—previously known as external authentication methods—you can integrate trusted third-party MFA providers while continuing to rely on Microsoft Entra ID as your central identity control plane.



Learn more: <https://techcommunity.microsoft.com/blog/microsoft-entra-blog/external-mfa-in-microsoft-entra-id-is-now-generally-available/4488926>

When will this happen:

GA, External MFA replaces Custom Controls, which will be deprecated on September 30, 2026



Microsoft Purview

1. Data Lifecycle Management - Hard delete OneDrive and SharePoint files with priority cleanup workflow

New Feature

How this will affect your organization

Allows administrators to permanently delete (hard delete) specific OneDrive and SharePoint content types, even when retention policies or holds are in place.

- ✓ Name and description
- ✓ Locations
- ✓ Conditions
- Settings**
- Review and finish

Choose what to do with the content

Here, you'll specify how long you want to retain the items, or if you want to delete them immediately. Choose from two options: only delete items when they reach a certain age, or delete items as soon as possible. Each option has different settings that you can customize in the next steps. [Learn More](#)

- Delete items as soon as possible**
Any items matching the policy's conditions will be moved to the recycle bin unless you choose to permanently delete them.
As soon as items are found
 - Delete data permanently
- Prevent deletion until a set time.**
We'll keep items based on when they were created, modified, or labeled. Items matching the policy's conditions will automatically go to the recycle bin at the end of the retention period unless you choose to permanently delete them. Items can't be deleted before the specified time.

When will this happen:

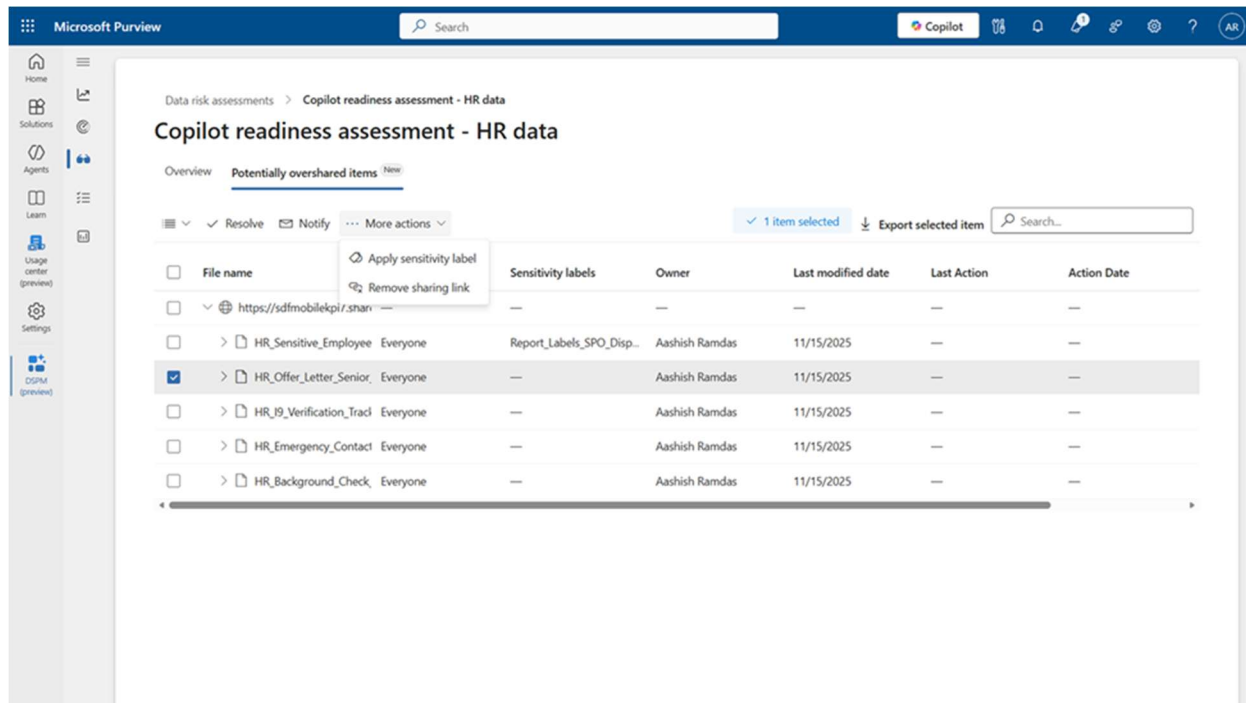
late May 2026 and is expected to complete by mid-June 2026.

2. DSPM's Data Risk Assessments now support item-level investigation and remediation of SharePoint

New Feature

How this will affect your organization

New item-level insights such as sensitivity label status and sharing link details make it easier to pinpoint overshared content. Admins can take direct remediation actions on selected items, including resolving findings, notifying owners, applying sensitivity labels, or removing sharing links.



When will this happen:

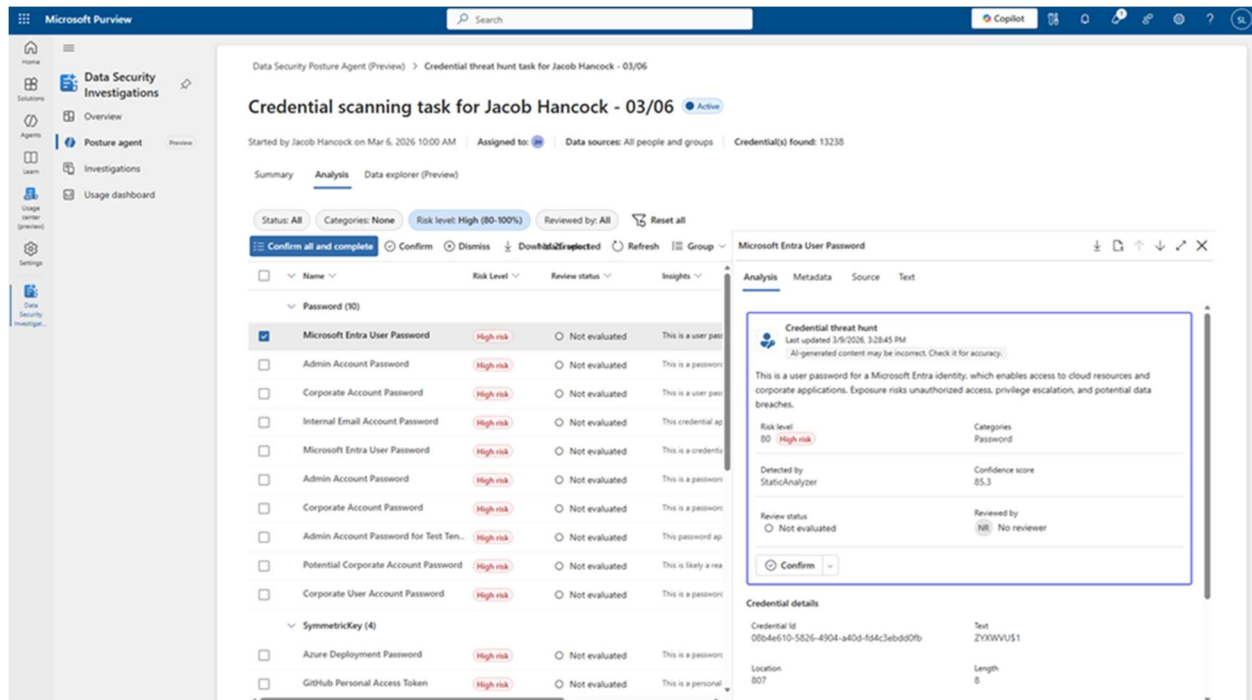
early March 2026 and expect to complete by mid-March 2026.

3. Credential scanning in Data Security Posture Agent

New Feature

How this will affect your organization

We are expanding the Data Security Posture Agent in Microsoft Purview with a new credential scanning capability. This update helps your organization discover exposed credentials and related data security risks across scoped locations. The agent analyzes selected data locations to detect sensitive credential types—including Microsoft Entra user credentials, private keys, and API tokens—and provides risk scores, AI-generated insights, confidence ratings, and credential categories so you can review, confirm, and take action from a single task board view.



When will this happen:

late June 2026 and complete by early July 2026.

4. Data Security Triage Agent Summaries for DLP Alerts in Microsoft Defender XDR

New Feature

How this will affect your organization

This update helps security analysts triage DLP alerts more efficiently by surfacing AI-generated summaries and categorizations created by the Microsoft Purview Data Security Triage Agent.

When will this happen:

mid-August 2026 and expect to complete by late August 2026.



Microsoft Admin

1. Introducing Microsoft 365 E7

New License

How this will affect your organization

Built to help customers seize the agentic moment and drive frontier transformation, Microsoft 365 E7 and Microsoft Agent 365 will be generally available as of May 1, 2026.

Learn More: [March 2026 announcements - Partner Center announcements | Microsoft Learn](#)



Microsoft Copilot

1. Copilot Cowork

New Feature

How this will affect your organization

Cowork makes it easy to delegate work. Describe the outcome you want and Cowork automatically grounds the work in your emails, meetings, messages, files, and data. Powered by Work IQ, Cowork draws on signals across Outlook, Teams, Excel, and the rest of Microsoft 365 so it can act with the same understanding you bring to your job.

Learn More: [Copilot Cowork: A new way of getting work done | Microsoft 365 Blog](#)

All Wave 3 Announcements: <https://techcommunity.microsoft.com/blog/microsoft365copilotblog/in-case-you-missed-it-frontier-transformation-and-wave-3-of-microsoft-365-copilo/4504765>

When will this happen?

Late March

2. Introducing Federated Copilot Connectors

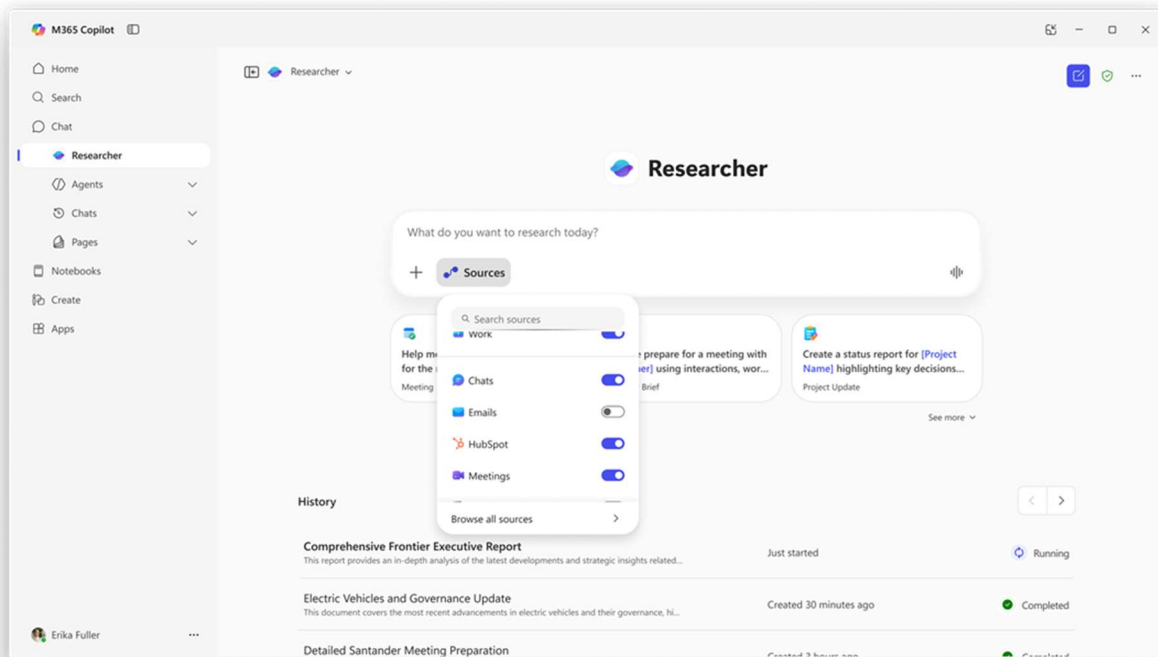
New Feature

How this will affect your organization

Federated Copilot connectors enable users to securely connect Copilot to popular third-party sources and retrieve data in real time using the Model Context Protocol (MCP). These connectors do not store or index customer data in Microsoft services; access occurs in real time using the user's identity, while administrators retain full governance and control through the Microsoft 365 admin center.

Microsoft-published federated Copilot connectors available at GA include:

- Canva
- HubSpot
- Linear
- Intercom
- Google Calendar
- Google Contacts
- Notion
- S&P Global
- Moody's
- LSEG



When this will happen

late April 2026 and complete by late May 2026.

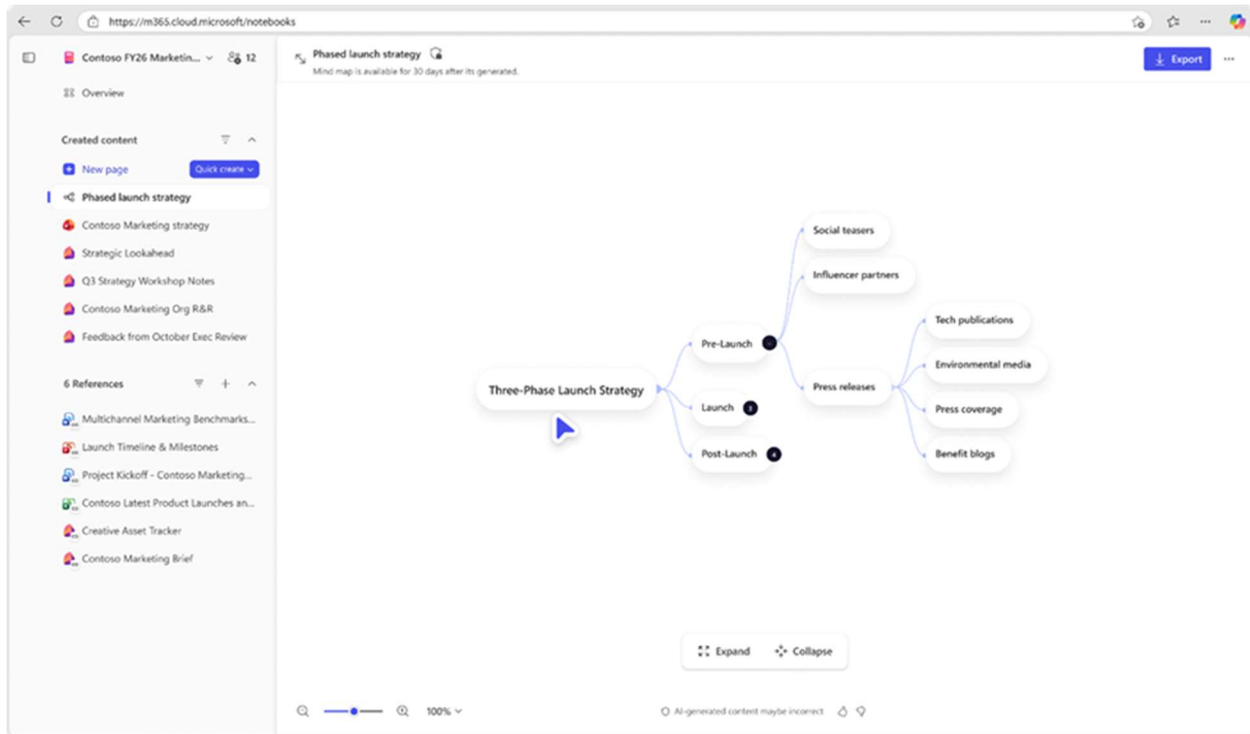
3. Copilot Notebooks: New features coming to Frontier Public

New Feature

How this will affect your organization

Several new Copilot Notebooks features to the Frontier Public environment to help users learn faster, create content more efficiently, and collaborate more easily within their organization.

Full Breakdown: <https://techcommunity.microsoft.com/blog/microsoft365copilotblog/copilot-notebooks-enhancements-to-support-creation-collaboration-and-learning/4505360>



When will this happen?

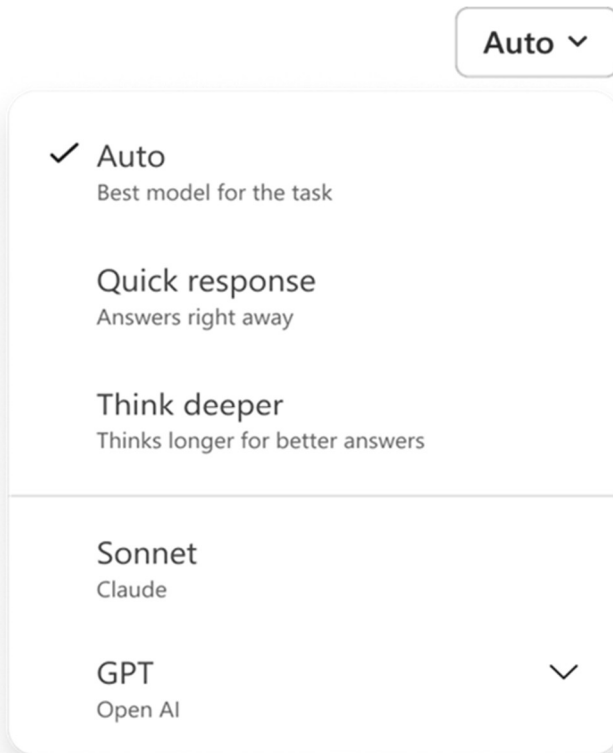
early April 2026 through early May 2026.

4. Anthropic Claude Sonnet is now available in Microsoft 365 Copilot

New Feature

How this will affect your organization

Claude Sonnet is available in Copilot Chat in Frontier, alongside the latest OpenAI models, giving users the flexibility to choose the model best suited for their tasks



When will this happen:

Rolling out gradually; expected completion late March 2026.