

## FY21 Changes to the Solution Assessment Incentive Program

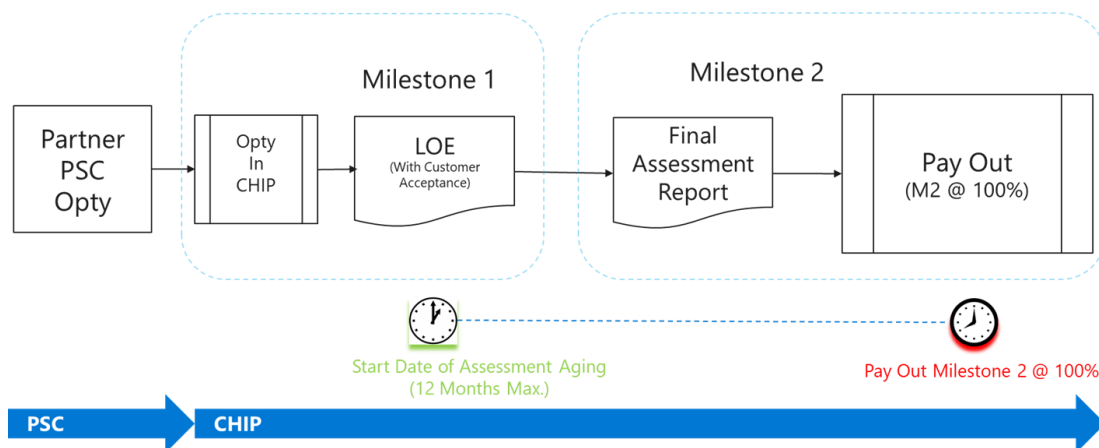
2020 has been a year of unparalleled change and disruption. Our customers everywhere around the world have been struggling to adjust to this everchanging business dynamic and uncertain economy. Your support and creativity during this time has been amazing and for many businesses your solutions delivered in a rapid response have helped them stay in business.

Understandably our goals and plans have had to adapt on short notice and adjust to this new reality. On August 15<sup>th</sup>, 2020 we will put into place our changes for the FY21 fiscal year. The immediate change that we are enacting is a change of Milestone 2 - from a bonus based pay-out triggered by new cloud adds or ACR, to the deliverable of the Final Assessment Report, submitted as POE into the CHIP system, to close out the assessment. This FAQ is intended to help you understand the change in our incentive pay-out program. More information will be available in the FY21 Program Guide which will be pre-released for your review after Inspire on July 24<sup>th</sup> and in final GA publication on August 15<sup>th</sup>.

## Solution Assessment Incentives and Payments

1. What is the FY21 Payment Guidance?
  - The FY21 Payment Guidance applies to Partner Deals registered on or after 15 August 2020
  - There will be one payment to the partner on completion and approval of both Milestone 1 and Milestone 2. Please see below for the criteria for each Milestone
    - Milestone 1:
      - Partner to upload to CHIP an LOE accepted by the customer
    - Milestone 2:
      - Partner to upload to CHIP a Final Assessment Report for the Solution Assessment type approved by the SAS and accepted by the customer in the LOE
  - On review and approval of Milestone 1 and Milestone 2 by the Microsoft POE Validation team, partner will receive 100% of the incentive level approved

## FY21 Solution Assessment Partner Incentives Process



### 2. What was the FY20 Payment Guidance?

- The FY20 Payment Guidance applies to Partner Deals registered on or after 15 October 2019 and before 15 August 2020
- Partners will be paid out in 2 parts – once for completion of Milestone 1 and once when Milestone 2 is validated with a new Customer Add or increased ACR on the account. Please see below for the criteria for each Milestone:
  - Milestone 1:
    - Partner to upload an LOE accepted by the customer, and the Final Assessment Report relative to the Solution Assessment type approved by the SAS and accepted by the customer in the LOE
    - On review and approval Milestone 1, partner will be paid 70% of the approved incentive level
  - Milestone 2:
    - Milestone 2 payment will be paid out if one of the Customer New Cloud Add or ACR criteria are met:
      - Microsoft 365 Customer Adds will be based on number of gross net new, new from expansion, and recapture customers for any combination of M365 E5, M365 E3, M365 F1, and 1K seats for Enterprise, and 300 Seats for SMC-C
      - Dynamics 365 new Customer adds will be measured at +\$1k in new revenue for SMC-C for one month, and \$3K new revenue in Enterprise for one month
      - New Azure Customer Adds will be measured at +\$5k over a trailing 3 months for both SMC-C, and Enterprise
      - Azure Consumed Revenue will be measured starting at Milestone 1 as a baseline and looking for +5K over a trailing 3-month period for both SMC-C and Enterprise.
    - Once the customer achieves one of the Cloud ADD or ACR criteria, partner will be paid 30% of the approved incentive level

### 3. What is the change to Milestone 1 and 2 in the new incentive process?

- **In FY20**, Milestone 1 was paid out at 70% of the total potential incentive, and Milestone 2 was paid out at the remaining 30% potential incentive available based on notice of new cloud adds or ACR on the customer account.
- **In FY21**, Milestone 1 will be paid out at zero (0%) of the total incentive, and Milestone 2 will be paid out at 100% incentive available based on validation of the Final Assessment Report by the POE validation team.

### 4. What will happen to my approved Solution Assessment incentive deals in CHIP?

- All open and approved Solution Assessment incentive requests in process from the FY20 timeframe (received after October 15<sup>th</sup>, 2019 up to August 14<sup>th</sup>, 2020) will be treated under the FY20 payment process and remain open until the Milestone 2 bonus payout is realized with a new customer add or ACR, or will age out of eligibility six months after the completion of the Milestone 1.
- All newly submitted and approved Solution Assessments on August 15<sup>th</sup>, 2020 and after will be treated under the new FY21 payment process.

### 5. Will my Solution Assessment engagement, open and approved prior to August 15<sup>th</sup>, be eligible for the Milestone 2 kicker?

- Yes. The FY20 Milestone 1 and 2 payments will still be in place at for all open and approved Solution Assessment incentive deals

### 6. How long will I have to wait for a payment after Milestone 1 and 2 have been uploaded?

- Standard CI Ops payment process will apply for partner payout. Review the [Solution Assessment Incentive Program Guide](#) for more information.
- Payments will be made within 35 days from the end of the month following review and approval of Milestone 2 POE by the POE Validation Team.

7. What are the POE requirements for Solution Assessments?
  - POE requirements for all Solution Assessments as follows:
    - Milestone 1: Letter of Engagement (LoE), including Customer Acceptance of the engagement
    - Milestone 2: Final Assessment Report aligned to the minimum requirement as per the relevant assessment SOW
  - Review the [Solution Assessment Incentive Program Guide](#) for more information
8. What are the changes to the Solution Assessment rate table for FY21?
  - The new FY21 rate table will have a new additional incentive level in FY21. The FY20 incentive levels had four levels from A – D. The new FY21 Rate table will have 5 levels A – E. Exception is the US, where the rate table will have 8 Incentive Levels (A – H).
9. How do I determine which level I will be paid for a Solution Assessment?
  - The engagement level is determined by your local Solution Assessment Specialist (SAS). Ensure the engagement level is discussed and agreed prior to commencing a Solution Assessment.
10. Where can I find more information on the Solution Assessment Incentive Process?
  - See the [Solution Assessment Incentive Program Guide](#) for more information.

## Solution Assessment Partner Eligibility

1. How do I qualify to earn Solution Assessment incentives?
  - Partners must have an active MPN ID to be eligible for the Solution Assessment Program.
  - In FY21 an active Silver or Gold MPN competency is a requirement to participate in the program.
  - In FY21 starting on April 15<sup>th</sup> 2021, we will be preferring all Azure Assessments (Azure Express, Data & Infrastructure Migration, Azure Foundations, Application Modernization, Azure Cost Optimization) be performed by an Azure Expert MSP/Advanced Speciality Partner as available in the local Area or Region. Please check with your local Solution Assessment Area Lead for questions.
  - In FY21 starting on April 15<sup>th</sup> 2021, Specialty Assessments will be preferred to Azure Advanced Specialist partners. (SAP for Azure, Windows Virtual Desktop, Analytics and AI) as available in the local Area or Region. Please check with your local Solution Assessment Area Lead for questions.
  - All our current Solution Assessment partners can become Azure Expert MSP and Advanced Specialist partners if they so choose.
2. Do I need to attain a specific MPN competency to qualify to earn Solution Assessment incentives?
  - No – any active Gold or Silver MPN competency will qualify you to onboard and participate in the Solution Assessment program (see above for change in FY21 H2).
3. How do I register to earn Solution Assessment incentives?
  - Once you have an active MPN ID, and a Gold or Silver MPN competency, contact your local SAS to start the onboarding process to gain access to CHIP and the Solution Assessment incentive deal registration capability in Partner Sales Connect (PSC).
  - For CHIP registration, the partner will receive an email with a link to complete their profile, including setting up a banking and tax profile. The invitation is sent from the alias: [microsoft@e-mail.microsoft.com](mailto:microsoft@e-mail.microsoft.com) and often times is found in the email “Junk/Spam” folder.
4. What happens if I lose my MPN competency?
  - Partner eligibility will be reviewed annually, in line with Microsoft’s fiscal year end. If your organization no longer meets the eligibility requirements, or if you have not been an active partner, you will be offboarded

from earning Solution Assessment incentives. Review the [Solution Assessment Incentive Program Guide](#) for more information.

5. Will the Solution Assessment Deal Registration capability move to Partner Center (PC)?
  - Yes. The Partner Sales Connect platform is scheduled to be decommissioned in FY21 and the Solution Assessment deal submission process will move to Partner Center Referrals. This is tentatively projected to take place in October 2020 as system engineering designs are currently being finalized. More information will be provided at Inspire. Readiness training and instructions on how to migrate to PC will be shared as we get closer to the migration date.