Microsoft Partner Incentives

Solution Assessments

Incentive Program Guide

October 15th – June 30th, 2020

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1 Overview

Whether your customers are doing business on-premises, in the Cloud, or in a hybrid environment, the Solution Assessment Incentive Program supports partner profitability and growth through shared interest in cloud wins and Customer migrations. This document is intended to help our Solution Assessment partners understand the processes for participating in the Incentives program for FY20.

Through the selective funding of qualified customer engagements, we will introduce customers to best practices, tools, resources and partners who can help them understand long-term license management, cost effective utilization of their deployed investments, and a clear path to reach their desired business strategy.

These incentive funds are intended to encourage new customer cloud acquisition and consumption growth opportunities for partners who have met the Solution Assessment Incentive partner criteria requirements provided in this guide.

1.1 FY20 Solution Assessment Incentive Program Guide

This guide provides incentive policies and program rules, including:
- Solution Assessment Types
- The Solution Assessment Incentive Process
- Calculation and Payment Expectations
- Partner Support and Escalation Processes

All information presented will be treated as Microsoft confidential information and is subject to the terms of your Non-Disclosure Agreement (NDA) with Microsoft through your Channel Partner Agreement or Microsoft Partner Network (MPN) Agreement. Customer data privacy is important to Microsoft and all materials collected or communicated are treated in accordance with the privacy and data protection (Section 5) in the MPN Agreement.

The information contained within this guide may be subject to change.

Microsoft Solution Assessments are a set of industry standard best practices that incorporate proven strategies for managing and optimizing an organization's IT assets.

Implementing these practices protects a customer’s investment by helping identify the software/hardware assets they have, where they are running, and if they are being used efficiently.

These incorporate a set of programmatic business processes that provide a methodical means to the effective management, control, and protection of software assets within an organization. The data and insights gathered are used to develop specific business solutions that meet customers’ needs and objectives. Customers that implement these practices see many benefits, including:
- Better business intelligence and control over their IT infrastructure
- Reduced costs through effective license and infrastructure optimization
- Reduced risks through license compliance
- Increased security and lower risk exposure
- Improved costs through streamlined acquisition and managed deployment processes
- Improved user productivity, simplified IT management, and faster help desk processes through standardization of applications and platforms
As virtual, hosted, and cloud-based solutions become more common, and with customers considering transitioning some or all of their IT infrastructure to cloud environments, solid IT asset management practices will continue to be required to:

- Evaluate which components of their current IT infrastructure make sense to transition to virtual, cloud, or hybrid environments.
- Ensure they have a clear understanding of any impact such changes may have on how they license, manage, and consume cloud usage within their environment, and how these changes will impact budgetary forecasts in a subscription model.

As such solutions are implemented, customers will need to make the necessary adjustments to these and other strategic areas, including how they track and manage their use of software, regardless of whether it is on premises or in the cloud.

### Solution Assessment Incentives and Customer Privacy

Customer data privacy is important to Microsoft and all materials collected or communicated are treated in accordance with the [Microsoft Privacy Policy](#) and data protection requirements in the MPN Agreement (section 5).

Partners will not disclose any personal data to Microsoft or any affiliate of Microsoft in connection with any assessment, except for limited information about the customer that may be reflected on the Letter of Engagement (LOE) or the final report delivered to the customer (if and to the extent those are submitted to Microsoft in connection with a request to receive any channel incentives).

With respect to any customer data that is disclosed to Microsoft, any Microsoft affiliate by or on behalf of a partner will obtain any and all necessary consents from the customer and any personnel and will be responsible for disclosing such customer data only to the extent permitted by and in compliance with any applicable law.

Globally, there are many local laws and rules that govern the type, use, and transmission of Microsoft Product inventory data collected from our customers. These regulations can be applied uniformly to a market or be focused on certain industries or sectors. For engagements with entities having laws or regulations preventing the consent of a customer to share the final assessment report, Solution Assessment Incentives should not be used.

### 1.2 Assessment Types & Rates

The Solution Assessment Incentive Program engagement types enable partners to deliver value, be it cloud specific, device oriented, or security related. By helping their customers establish critical asset management policies and procedures, this program helps to manage customer’s IT infrastructure more effectively in their transition to a modern cloud operating platform that is in alignment with their strategic organizational goals and objectives.

A detailed Statement of Work (SOW) for each of these assessment types can be found in the resource links located in the [Solution Assessment Partner Portal](#). Therein, descriptions of specific activities and outcomes are provided, including required data collection, recommended tools, customer inputs, and final deliverables to both the customer and Microsoft. It is critical that you deliver to the specific expectations articulated in the SOW to be eligible for payment in this program. Alternatives to the defined SOWs are not eligible for this incentive program; however, when agreed upon by the customer and the Microsoft Solution Assessment Engagement Manager (EM), these SOWs may be modified to fit the customer opportunity.
Solution Assessment Types

Solution Assessment Incentive Program engagement types, descriptions and resources.

Note: Cloud Productivity, Server Optimization, and SAM for Hosting were retired on October 15th, 2019. Assessments started from July 1st to October 15 for Cloud Productivity, Server Optimization, and SAM for Hosting will remain open and eligible for payment until closed under the FY19 Incentive structure.

For more information, See the MPN Solution Assessment page.
<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Workplace Modernization</strong></td>
<td>This engagement provides customers with visibility into their desktop and on-premises environments with a view to simplify cloud adoption and reduce risk, while helping them improve end user productivity. Deliverables provide customers with a cloud roadmap that highlights prioritized business applications for transition.</td>
</tr>
<tr>
<td><strong>Cybersecurity Assessment</strong></td>
<td>Provides customers with a view of what software is deployed to identify areas of potential risk and provide guidance on cybersecurity programs and policies to help enable good IT asset management. The engagement provides a full inventory that can be used as the foundation for a more in-depth organizational security assessment.</td>
</tr>
<tr>
<td><strong>Infrastructure Optimization</strong></td>
<td>Helps customers select and prioritize their current server workloads and applications to transition to the cloud while providing business insights, cost control, and technology benefits.</td>
</tr>
<tr>
<td><strong>Data Optimization</strong></td>
<td>Provides guidance and resources to help customers optimize their server environment while reducing cost, complexity and compliance risks through product End of Support. Use this engagement to assess current deployments and determine optimal usage on premises or in the cloud.</td>
</tr>
<tr>
<td><strong>Cloud Economics</strong></td>
<td>Provides customers with an evaluation of their cloud capabilities, including key blockers to cloud migrations. The Solution Assessment Partner will gather a comprehensive inventory of current software deployment, usage, and licensing data; and identify prioritized recommendations for next steps to cloud deployments, including related migration cost and Total Cost of Ownership (TCO) analyses</td>
</tr>
<tr>
<td><strong>Contract Optimization</strong></td>
<td>Provides a complete view of current Microsoft deployments with recommendations for the right contract licensing to support customers’ business strategy. Deliverables include insights from legacy systems and software licensing, to how to best use current technology and how to make licensing decisions to fit our customer’s needs. The aim is to maximize our customer’s technology investments to support their organization’s innovation and growth.</td>
</tr>
<tr>
<td><strong>GDPR</strong></td>
<td>On May 25th, 2018 the General Data Protection Regulation (GDPR) became effective in the European Union. This standard for personal data privacy governance and security has also been adopted by other geographies. The first step in becoming GDPR compliant is to understand a company’s IT and data infrastructure through discovery. This assessment helps customers understand their current readiness for GDPR and outlines necessary steps to improve.</td>
</tr>
<tr>
<td><strong>Azure Cost Control</strong></td>
<td>Helps customers optimize their Azure spending in a new Cloud subscription world. Manage cloud spending, and increase organizational accountability with insights, analysis, and recommendations to improve financial governance of Azure solutions.</td>
</tr>
<tr>
<td><strong>Teams Assessment</strong></td>
<td>The Teams Assessment provides the customer with an analysis of their current end-to-end IT estate as well as will providing insights into the current collaboration and communication scenarios.</td>
</tr>
<tr>
<td><strong>SAP on Azure</strong></td>
<td>Get help prioritizing your current server workloads and applications for transition to the cloud with insights on the business, cost, and technology benefits of your move of SAP to Azure.</td>
</tr>
</tbody>
</table>
The FY20 Solution Assessment Program

During FY20 the program will be structured on an incentive structure centered around customer impact. Helping our customers transform their business to a cloud-based infrastructure, while leveraging Microsoft product is our collective objective. The use of Solution Assessments Incentives to help customers achieve this transformation requires collaboration between Microsoft and our Solution Assessment Partners.

Fundamentals of the Solution Assessments Incentives Program:

- Solution Assessment rates on one table with four levels (A to D)
- Milestone 1 POE will contain both LOE + final assessment report
- Milestone 2 payout is based on registered Cloud Add or new Azure Consumed Revenue (ACR) growth
- Milestone 1 will be paid at 70% of the Level approved.
- Milestone 2 will be paid out at 30% of the Level approved
- The POE Validation Team will Review & Approve all POE (Milestone 1 & 2)
- New Cloud Adds and ACR will be based on the following:
  - In FY20 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.
- Reporting of ‘customer adds’ is from Microsoft and is accessible to your local Solution Assessment Engagement Manager in the event of questions.
- Milestone 2 payout window will be open in CHIP for six (6) months from validation of Milestone 1.
- New cloud adds and ACR will be checked monthly starting at approval of Milestone 1
- Opportunities where Milestone 1 has been paid and the opportunity is closed as “lost” will be removed from Milestone 2 opportunity.
Rates

All Solution Assessments have a fixed incentive fee. For instance, the partner incentive is based on market-specific, fixed fee rate schedules. The applicable fee schedule is determined based on the primary location of the customer engagement and will generally correspond to the location in which the onsite executive overview presentation is delivered to the customer at the end of the assessment.

These rates may be adjusted at Microsoft’s discretion upon 30 days’ notice (e.g. to adjust for significant changes in currency exchange rates).

For a complete list of rate schedules by country and engagement type, please see the Solution Assessment Incentive Rate Table under the resources section on the Solution Assessment Partner Portal.

Guidance on Incentive Levels

The rates for Solution Assessment deliveries are associated with pre-defined engagement levels. These levels are A through D in the FY20 Solution Assessment Rate Tables.

The engagement levels are based on the market location where the work is being performed, the segment, and the level of on-site partner resources required to accomplish the scope of work.

The actual amount of time it takes to deliver an engagement will vary based on the complexity of the customer infrastructure, use of third-party ISV tools, scope of work agreed to between the partner and the customer, number of locations, additional elements and variables.

The speed of delivering an engagement will not change the incentive fee associated with the engagement, although opportunities that have been approved for the incentive may have such approval withdrawn if the assessment is not moving toward completion. The partner should make the Engagement Manager aware of challenges during the assessment that could block any progress.
<table>
<thead>
<tr>
<th>Area</th>
<th>Currency</th>
<th>Milestone 1</th>
<th>Milestone 2</th>
<th>Total</th>
<th>Milestone 1</th>
<th>Milestone 2</th>
<th>Total</th>
<th>Milestone 1</th>
<th>Milestone 2</th>
<th>Total</th>
<th>Milestone 1</th>
<th>Milestone 2</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>AUD</td>
<td>4,342</td>
<td>1,737</td>
<td>6,079</td>
<td>9,407</td>
<td>3,763</td>
<td>13,170</td>
<td>14,110</td>
<td>5,644</td>
<td>19,754</td>
<td>18,813</td>
<td>7,525</td>
<td>26,338</td>
</tr>
<tr>
<td>Canada</td>
<td>CAD</td>
<td>4,058</td>
<td>1,623</td>
<td>5,681</td>
<td>8,793</td>
<td>3,517</td>
<td>12,310</td>
<td>13,189</td>
<td>5,276</td>
<td>18,465</td>
<td>17,585</td>
<td>7,034</td>
<td>24,619</td>
</tr>
<tr>
<td>France</td>
<td>EUR</td>
<td>2,692</td>
<td>1,077</td>
<td>3,769</td>
<td>5,834</td>
<td>2,333</td>
<td>8,167</td>
<td>8,750</td>
<td>3,500</td>
<td>12,250</td>
<td>11,667</td>
<td>4,667</td>
<td>16,334</td>
</tr>
<tr>
<td>Germany</td>
<td>EUR</td>
<td>2,692</td>
<td>1,077</td>
<td>3,769</td>
<td>5,834</td>
<td>2,333</td>
<td>8,167</td>
<td>8,750</td>
<td>3,500</td>
<td>12,250</td>
<td>11,667</td>
<td>4,667</td>
<td>16,334</td>
</tr>
<tr>
<td>Japan</td>
<td>JPY</td>
<td>328,228</td>
<td>131,291</td>
<td>459,519</td>
<td>711,160</td>
<td>284,464</td>
<td>995,624</td>
<td>1,066,740</td>
<td>426,696</td>
<td>1,493,436</td>
<td>1,422,319</td>
<td>568,928</td>
<td>1,991,247</td>
</tr>
<tr>
<td>UK</td>
<td>GBP</td>
<td>2,375</td>
<td>950</td>
<td>3,325</td>
<td>5,146</td>
<td>2,058</td>
<td>7,204</td>
<td>7,719</td>
<td>3,088</td>
<td>10,807</td>
<td>10,292</td>
<td>4,117</td>
<td>14,409</td>
</tr>
<tr>
<td>Austria</td>
<td>EUR</td>
<td>2,692</td>
<td>1,077</td>
<td>3,769</td>
<td>5,834</td>
<td>2,333</td>
<td>8,167</td>
<td>8,750</td>
<td>3,500</td>
<td>12,250</td>
<td>11,667</td>
<td>4,667</td>
<td>16,334</td>
</tr>
<tr>
<td>United States</td>
<td>USD</td>
<td>3,000</td>
<td>1,200</td>
<td>4,200</td>
<td>5,000</td>
<td>2,000</td>
<td>7,000</td>
<td>9,750</td>
<td>3,900</td>
<td>13,650</td>
<td>15,000</td>
<td>6,000</td>
<td>21,000</td>
</tr>
</tbody>
</table>

The FY20 Incentive Rate tables have been built on analysis of the markets that our assessments are performed within and the cost of goods within those markets. The general principles are as follows:

**Level A:** This is for the Milestone 1 & 2 incentives on assessments that can be operated by partners in remote and emerging markets where partner presence on site is not logistically convenient. The use of Microsoft first party tools for scale campaigns fits this level.

**Level B:** Application level B will apply to most of the Microsoft corporate managed accounts. These assessments often can be accomplished with a mix of remote partner support and the use of ISV remote tools for scale campaigns to fit this level.

**Level C:** This level allows for the conditions of complexity required in corporate managed accounts and enterprise accounts in emerging markets.

**Level D:** This level should be at the top end of complex assessments where partner specialized resources are required for onsite design and consultation with the customers. This level is also generally seen in developed markets for larger enterprise managed accounts.

The selection of which Solution Assessment type to be assigned and which incentive level to be assigned is the choice of the EM within the area where the customer exists. Each partner should work directly with their Solution Assessment EM to discuss their specific region applications.

**Conditions of Payment**

The Proof of Execution (POE) Validation Team will provide final validation on all POE for payment. This will require quality, accuracy and completeness in all POE submitted. Incomplete or alternative documentation will be rejected by the team and delay or possibly cancel your incentive payment.

The following set of requirements must be fulfilled to receive incentive payout on Solution Assessments:

- Assessment opportunities must be created by the EM or submitted by the partner through the Partner Sales Center.
- All assessments must be created with an engagement type and matching incentive type.
• The EM must review the opportunity and if approved, assign the appropriate incentive level to the opportunity and mark the incentive “approved”. (No opportunity will flow to CHIP without the EM review and incentive approval)

• On completion of the assessment, the partner must submit the following POE for Milestone 1:

**Letter of Engagement:**
- The company name
- The customer contact name who will be providing approval for the execution of the Solution Assessment
- Timelines, such as start and completion date
- **Clear acceptance from the customer of the assessment** (customer signature, electronic, email clearly stating acceptance)

**Final Solution Assessment Report:**
- The company’s name
- The customer contact name who provided acceptance
- A final report unique to this customer opportunity
- The final report must contain:
  - A summary of the assessment, or executive summary.
  - References to the data collected from the customer (e.g. visuals and quantifiable data).
  - Solution recommendations and a migration plan (migration plan is optional on Contract Optimization, Azure Cost Control, and Teams Assessment.)
1.3 Statement of Work (SOW)

The specific requirements for incentive payment vary by Solution Assessment engagement type, and those requirements are defined in the statement of work (SOW) document for each engagement type. Partners are required to follow and fully complete the requirements outlined in the Solution Assessment Incentive SOW to earn payment of the associated incentive.

If a customer **does not** consent to disclose the information needed for the partner to prepare and deliver the requirements outlined in the SOW, that assessment is **not** eligible for this incentive.

**SOW outline:**

- **Description:** Contains the description of the specific engagement along with partner requirements related to the customer agreement.
- **Inputs:** Provides engagement data collection input requirements for customer’s premises.
- **Data Collection:** Provides a minimum list of required steps the partners must take to ensure satisfactory levels of completeness and accuracy to build the basis for the required analysis and customer deliverables.
- **Analysis:** Based on the inputs and data collection, this section provides partner requirements related to engagement analysis, review and customer agreement.
- **Deliverables:** Provides the summary recommendations derived from the analysis of the data collected that provides the customer with a specific set of actionable recommendations and specific migration steps and a migration timeline.

1.4 Solution Assessment Incentive – Customer Criteria

Partners may request a Solution Assessment Engagement Incentive for customers that meet the following criteria.

Customers are eligible to receive multiple assessments within a fiscal year (from July 1-June 30) under these conditions:

- A unique assessment opportunity needs to be created
- The assessments need to address different customer problems and provide unique recommendations and migration plans
- All details of each SOW's need to be uniquely fulfilled
- Each assessment must be reviewed and approved by the EM
- The assessments need to align with Microsoft’s Solution Assessment strategy
- Customer and partner co-funding needs to be discussed along with additional investment from Microsoft on more than one assessment for one customer

1.5 Solution Assessment Incentive – Public Sector Customers

Partners may not earn incentives for transactions involving public sector customers if the customer resides in one of the restricted countries listed in the Public Sector Country Ineligibility List, located on MPN at aka.ms/partnerincentives.
2 Partner Participation

Microsoft sets criteria requirements for all partners requesting participation in the Solution Assessment Incentive Program. These criteria are written to reflect the engagement delivery requirements and customer value expectations and are consistent across all geographies and for all partners.

2.1 Eligibility Criteria

Partners with active and enrolled status in the Solution Assessment Incentive Program in FY19 will continue to be eligible for incentives in FY20. Partner qualifications will be reviewed for eligibility annually. If established partners do not accomplish eligibility requirements in the current year, they will be removed in the next annual review. All new partners are onboarded through the local EM in their area. The EM will identify the partners to be onboarded based on the matching of skills and expertise in the partner company and the business needs of the subsidiaries supported by the EM.

Prior to starting the onboarding process, partners will need to discuss with the EM the capabilities their company has in supporting assessments in their localities.

Partners currently not enrolled in the Incentive Program must meet the below FY20 incentive criteria to be eligible for Solution Assessment Incentive onboarding.

<table>
<thead>
<tr>
<th>#</th>
<th>Eligibility Requirements</th>
<th>Specific Criteria</th>
</tr>
</thead>
</table>
| 1 | One Microsoft Silver or Gold MPN competency | Partner Competency Status = (Active-Earned, Active Pre-Approved)  
  More Info: [MPN Competency Status](#)  
  Partners can inherit competency status from HQ location |

2.2 Onboarding & Account Setup

For a partner to become a Solution Assessment Incentive eligible partner, they must have the following requirements completed.

- An MPN ID for the location they will be performing the engagement
- Must have completed the required Microsoft MPN Competency
- A One Commercial Partner Customer Relationship Management (OCP CRM) ID assigned during onboarding
- A Microsoft Experience (MSX) partner account ID assigned during onboarding

Microsoft provides a bi-monthly onboarding period (1st, 15th) to add partners to the incentive program.

On successful registration you will be asked to set up an account for the following Microsoft systems.

1. Connect
   - Activation of the Solution Assessment incentive feature in PSC occurs only after the partner completes enrollment into the program though your local EM

2. Channel Incentives Platform (CHIP)
   - Enrollment in the CHIP web portal is required for participation in the incentive program. The partner will be notified through the CHIP program when onboarding is complete and CHIP profile registration is required.
2.3 Eligibility Monitoring
Partner eligibility for the program is assessed annually in alignment with Microsoft’s fiscal year ending in June. Partners who successfully meet all the criteria are enrolled for the entire year.

- Please note: Enrolled partners may need to meet specific criteria before Microsoft can approve and release incentive payments.

All partners will be reviewed annually to confirm eligibility status per the Incentive Guide.

2.4 Loss of Eligibility & Termination
In the event the partner breaches any terms of the MPN agreement, Microsoft may deny, suspend, or terminate partner from the incentive. In addition, Microsoft may cancel or withhold incentive payments. Written notice will be provided to the partner prior to any decision to cancel or withhold payment.

Partners who no longer meet eligibility criteria during the eligibility review become “not eligible” to earn incentives, and will be paid as follows:

<table>
<thead>
<tr>
<th>#</th>
<th>Incentive Type</th>
<th>Treatment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Deal Registration/ Incentive Request</td>
<td>Validated incentive requests prior to loss of eligibility will remain active for the life of the incentive request. Partner ability to create new incentive requests will be removed from Partner Center Sales Connect upon loss of eligibility. If incentive requests were made after the loss of eligibility, those incentive requests will be declined by Microsoft.</td>
</tr>
</tbody>
</table>

2.5 Description of Solution Assessment Incentive Opportunity process
The Engagement Manager will review submitted opportunities registered for incentives in MSX and approve or reject the opportunity based on opportunity customer need and business strategy alignment. If rejected, the Solution Assessment EM will communicate to the partner. A partner should always work directly with the EM on potential opportunities before committing to the customer about any Microsoft investment funds for an assessment.

If the EM approves the opportunity, the opportunity moves to the next step: approval. The approval process is as follows:

1. SAI Request via PSC (Partner) or MSX (Microsoft)
2. Opportunity validation, incentive approval, and engagement level assignment in MSX (Microsoft)
3. Execute and deliver assessment (Partner/Microsoft)
4. Delivery and approval of LOE (Partner/customer)
5. Upload POE in CHIP (Partner)
6. Validate POE and approve incentive request (POE Validation Team)
7. Incentive payment issued (Microsoft)
8. Clock starts for monthly check on New Cloud Adds or ACR growth on customer account
9. Microsoft confirmation of New Cloud Adds and ACR within 6-months since approval of Milestone 1
10. Incentive payment for Milestone 2 issued (Microsoft)
2.6 Validating Solution Assessment Activities & Incentive Approval

The purpose of this step is to determine approval for an opportunity that has been validated as eligible by the EM.

- EM reviews partner opportunity submitted in PSC. Partner should communicate with EM prior to committing to an assessment with a customer.
- If approved, EM assigns incentive level and marked request as “approved” in MSX. Your EM will notify you if the opportunity is declined.
- Once the opportunity is approved, the partner may begin the Solution Assessment with the customer.

2.7 Solution Assessment EM assigns the Engagement Level

If the EM determines that an incentive request is to be approved, they will assign the level a local attribute before approving the request. The incentive level is based on the customer location, complexity of the opportunity, and whether the assessment will be conducted remotely or on site by the partner. You can find the Engagement Levels and Engagements Rate table included in the Solution Assessment Incentive Rate Workbook located on Solution Assessment MPN Portal.

**IMPORTANT: Rate determination when engagements cross fiscal years**

When the opportunity is approved, and submitted into CHIP, the current fiscal year rate will be locked in from that date. This date is reflected as the Registration Date in MSX. When a partner delivers a Solution Assessment that crosses over into the next Microsoft fiscal year, the incentive rate applied will be the rate at the time the incentive request was approved and submitted into CHIP.

2.8 Assessment Opportunity Management and Pipeline Hygiene

When you accept Microsoft funding for an assessment you are required to keep the EM informed regularly of the progress, raising any concerns or issues to their attention. The partner is required to manage the opportunity in accordance with standard pipeline management practices. This may include:

- Confirmation that the customer has received the LOE and wants to proceed
- Periodic updates on project delivery to ensure it continues to move forward toward planned completion date established in the LOE
- Validation that the Executive Overview presentation has been delivered and all required POE deliverables have been received by the customer
- Review of all required POE deliverables with the EM for quality and completeness

In some cases, if an assessment misses milestones from the LOE, or fails to make timely progress toward the agreed to completion date due to issues with the partner, the incentive approval may be withdrawn. Prior to doing so, the EM will discuss any concerns with the partner to see if there is an opportunity for the partner to continue the required work to complete the assessment.

Note: If incentive approval is withdrawn, the partner will not be eligible for any compensation toward the partial engagement.
Required POE per Assessment Type:

<table>
<thead>
<tr>
<th>Solution Assessment Type</th>
<th>LOE**</th>
<th>Final Assessment Report***</th>
</tr>
</thead>
<tbody>
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<td>Workplace Modernization</td>
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<td>Cloud Economics</td>
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<td>Contract Optimization*</td>
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<td>GDPR</td>
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<td>Azure Cost Control*</td>
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<td>Teams Assessment*</td>
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<td>SAP on Azure</td>
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* Migration Plan is optional for Contract Optimization, Azure Cost Control and Teams Assessment as POE
**LOE may allow for Customer Acceptance to be an email from the customer acknowledging the performance of the Solution Assessment
***Final Assessment = Completion of Solution Assessment Report and Migration Plan

2.9 POE Review

Upon successful completion of the assessment, the partner will provide the required in the SOW deliverables by uploading them to CHIP.

Prior to submission in CHIP, the EM may review the LOE and the final assessment report for quality and completeness. This review may include discussions with the customer or other Microsoft account team members as deemed appropriate.

POE validation will be performed by the POE Validation Team against the partner provided POE materials following submission to CHIP by the partner. Additional information, or clarification may be requested as part of the POE validation review process for submitted POE (for example, clear customer acceptance in the LOE). Partners that show systemic failure on POE performance may result in a suspension of the partner’s participation in the program.
3 Calculation & Payment

3.1 Payment Calculation

Using the defined fee schedules, the Microsoft Regional Operations Centers will calculate and process the associated incentive fees, with payments being issued monthly.

Opportunities must have all the following attributes to appear in this payment approval report:

1. Approved Solution Assessment Incentive
2. Solution Assessment Engagement Level local attribute
3. “Opportunity Payment Certification” checkbox must be checked and submitted by POE Validation Team in CHIP.

Rate level is set for the engagement at the time the incentive request is approved in MSX.

3.2 Timing & Cadence

Payment will be rendered by Microsoft within 35 business days from the end of the month following POE Validation Team review and approval of Milestone 1, and the same for acceptance and approval of Milestone 2.

Example: Payment request created in March, will be executed by Microsoft on or before the 5th of May.

Depending on the countries and banks involved, the partner’s bank may take an additional 5 – 20 days to reflect the disbursement in the partner’s bank account.

Important note regarding taxes - The incentive that the partner receives includes any applicable goods and services tax, value added tax, sales tax, gross receipts tax, or any other tax that is applicable as a result of the services that the partner provides. It is solely the partner’s responsibility to pay all applicable taxes related to the incentives it receives.

To comply with local regulatory requirements for some countries when applicable, Microsoft will hold incentive payments until a partner submits a tax invoice to Microsoft, which acts as an incentive claim.

In such instances, partners are notified of invoice requirements at the time when the incentive payment is ready for disbursement.

For partners that have missing portions of the required payment documentation, such as tax form, bank detail and/or invoice, Microsoft will continue attempting to make payment in the upcoming pay cycles in the next 180 days after the initial payment run. After 180 days of the original expected payout date, if Microsoft still does not have the required payment documentation to process the payment, the incentive payment will be forfeited, subject to the laws in the partner’s country, and no further notification will be sent to the partner.

Unless provided otherwise, the amounts Microsoft shall pay to partners are inclusive of all taxes.

3.3 Milestone Payment Calculation

A Milestone payment schedule has been implemented for partners to be able to receive payment for delivering Milestone 1 prior to the delivery of new Cloud Adds or ACR growth in Milestone 2.

Once milestone 1 has been reviewed and approved by the POE team, then the POE team will pay a 70% value of the total payment amount to the partner. As the Milestone 2 is reached with new customer adds or growth in at the ACR target are achieved the POE team will verify the new customer adds and provide payment on Milestone 2 at 30% of the total incentive level.

The partner is required to submit the required POE documents for milestone 1. The POE requirements to meet Milestone 1 payment is to provide the signed letter of engagement, and the final assessment report and
upload into CHIP. The partner does not upload POE Documents for Milestone 2. The POE Team will receive a monthly report from Microsoft that will show all new Cloud Adds and ACR growth on an account that have previously received a Milestone 1 payment for a Solution Assessment. Only after the documents of Milestone 1 are reviewed and approved, will the opportunity be open for Milestone 2 payments.
4 Support & Escalation

4.1 Solution Assessment Partner Portal

Information on the program, engagement types and supporting program documentation can be found on the MPN Partner site listed here.

4.2 Microsoft Contact

Primary support for the program (e.g. program information, engagement management, incentive request approvals etc.) is provided by your local EM.

4.3 Payment Questions

For questions, such as calculation, payment, CHIP system issues etc. support is aligned by your Regional Operating Center (ROC) which can be contacted in several ways:

Support, including self-help, live support agents, community support, and support tickets, can be accessed through the Microsoft Partner Network at https://mspartner.microsoft.com.

- Under the “Support” tab, select “Contact Support.”
- When the portal opens, select the “Partner Incentives” category.
- You may then choose your topic and related issue.

Support can also be requested from within the incentive platforms. See the CHIP Implementation Guide and Partner Incentives Experience Platform Implementation Guide available at the Partner Incentives MPN Portal for more information.

4.4 Overpayment

Overpayment may occur due to various reasons: calculation error, payment processing error, incorrect engagement type/level, POE not validated appropriately etc. In the event of an overpayment, Microsoft will proceed with the recovery of an overpayment in accordance with the MCIA.

Microsoft will generally attempt to recover overpayment by offsetting against future incentive payments earned. If for any reason such approach cannot be executed (e.g. partner is no longer participating in an incentive), Microsoft reserves the right to invoice partner for the overpaid amount directly.

Alternative recovery options:

- Partner may be offered an option to repay the overpaid amount directly to Microsoft. Such option can be offered by the EM if it is a partner preference to return the overpayment versus seeing adjustment to future earnings. The default recovery approach is an adjustment to future earnings.
- Following receipt of a request from the partner, Microsoft may agree to spread out recovery of the overpayment over several earning periods but not exceeding 180 days in total.

4.5 Partner Escalation Paths for all Programs

To ensure the best experience to our partners on any partner incentives queries and escalations, we would like to remind you of the paths that need to be followed. Please familiarize yourself with these official escalation
paths before raising any query. Ensure you are familiar with the Solution Assessment Partner Portal. These can be found through the MPN Portal under http://aka.ms/samincentives.

1. Review available resources: like this guide, appendix links and readiness materials located in http://aka.ms/samincentives
   - If no response received, submit to the CLT or write to your local Regional Operations Center (ROC):
     - Europe – erebates@microsoft.com
     - Asia Pacific – apocchi@microsoft.com
     - Japan – apocciij@microsoft.com
     - Americas – ciquesdt@microsoft.com
   - If the response is unsatisfactory and you would like to raise a dispute, reply back to the same email adding the escalation alias added by the ROC in the closing email
   - If there are delays, or the level of response doesn’t suffice, include your Solution Assessment EM for an expedited resolution
# Appendix: Resources

The links within the appendices of this guide will assist you with the required systems, engagement deliverables and pricing structure for the Solution Assessment Incentive Program.

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<thead>
<tr>
<th>Title</th>
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| Solution Assessment Partner Portal & Resources | Partner facing MPN site providing Solution Assessment Incentive Support Documentation:  
- Incentive Program Guide  
- Engagement Levels & Incentive Rates  
- Incentive Engagement Types & SOW's  
- Partner Training Materials  
- Partner Templates and additional resources | [http://aka.ms/samincentives](http://aka.ms/samincentives) |
| Partner Sales Connect (PSC) | Partner facing CRM tool for registering Solution Assessment Engagement opportunities | [https://partnersales.microsoft.com](https://partnersales.microsoft.com) |
| Partner Sales Connect Resources | Connect resources and guidance for Solution Assessment Partners |  
- Learn to Use Partner Sales Connect  
- Getting Started with Microsoft Partner Sales Connect (video)  
- Accessing Partner Sales Connect for the First Time |
| CHIP – Channel Incentives Platform | Partner facing tool to upload engagement POE and review payment status for approved opportunities | [https://channelincentives.microsoft.com/CCHIPUI/](https://channelincentives.microsoft.com/CCHIPUI/) |
| CHIP – Channel Incentives Platform Resources | CHIP Guides & Process  
1. [Channel Incentives Platform (CHIP)](https://channelincentives.microsoft.com/CCHIPUI/) – MS Profile Setup  
2. Channel incentives Platform (CHIP) – Partner Profile Setup  
3. Partner Banking Setup Details | [http://aka.ms/partnerincentives](http://aka.ms/partnerincentives) |