Commercial Services **Guide**

For Indirect Cloud Solution Providers

UK One Commercial Partner // FY19

**Version:** November 2018

Microsoft

purpose

This book has been created to provide clarity in a number of key areas with respect to the way Microsoft's One Commercial Partner (OCP) business in the UK works with indirect CSP partners ('indirect providers'); specifically:

- How your engaged Partner Development Manager (PDM) will work with your business and your Partner Technology Strategist (PTS) through the fiscal year.

- Where indirect providers can build or enhance their service offerings in line with Microsoft's modern partner transformation agenda.

- What Microsoft considers to be a good, better, and best view of indirect providers in order to create a consistent and competitive market for current and future indirect resellers to do business with/through.

- To ensure that ongoing feedback from the Microsoft Value Add Resellers, MSPs and all Indirect resellers is shared with the Indirect Providers to help align their needs and expectations to drive an improved customer and partner experience.

- The guidance in this book aligns with the UK One Commercial Partner ambition to **grow**, **create**, and **transform** the Microsoft partner ecosystem.

UK One Commercial Partner 2021 Ambition

Grow

Empower our partner ecosystem to *grow* their business
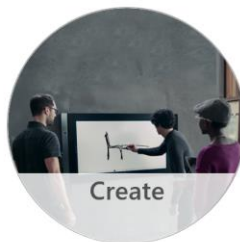
Create

Leverage Intelligent Cloud & Intelligent Edge to *create* new markets with ISVs & develop AI Ecosystem

Transform

Transform partner ecosystem to deliver customer lifetime value

contents

foreword

Microsoft's fiscal year '18 was about 'hitting refresh' internally and landing a new One Commercial Partner model globally in order to accelerate the transformation journey we are on with our partners. Fiscal year '19 is about focusing on those investments and driving faster, tighter execution against our strategic priorities. Key to the success for the broad ecosystem of Indirect resellers and customers is the role of the indirect CSP provider. This document outlines the commercial strategy approach we will take as we work together through the year: building the channel of the future.

It is important that we take both an immediate and longer term view of the way we shape our indirect provider strategy. The significant pace of development in areas such as artificial intelligence, Licensing, digital transformation and the emergence of a solution aggregation approach, amongst others, presents exciting opportunities unparalleled in my lifetime.

The ongoing maturity of the CSP licensing program has created new partner types and new interdependencies which have significant impact on existing relationships, commercials and expectations. Therefore, it's imperative that we are providing the guidance, in line with the feedback and expectations of the reseller channel in order that they can then seed and meet customer demand.

Everything we do aligns to our 3 key business priorities and our **UK OCP 2021 ambition**, defined both at Inspire and throughout your engagement with Microsoft

<div align="center">GROW   CREATE   TRANSFORM</div>

We will continue to further build guidance, develop these topics and support these themes through the lens of our digital transformation pillars**: empower employees**, **engage customers**, **transform products**, and **optimise operations**.

This combined approach will help ensure the success of our channel and our customers for many years to come.

Thank you for your commitment to partnering with us this year and beyond.

Alex Smith

Channels Lead,
UK One Commercial Partner
Microsoft

core pdm team

The structure for FY19 remains largely unchanged in terms of how the Partner Development Manager (PDM) and Partner Technology Strategist (PTS) roles are allocated. The PDM and extended team is a crucial part of developing a strong and successful Microsoft cloud business. They provide a strategic view of the whole stack of technology and act as the coordination point within One Commercial Partner to engage with the rest of the team.

Brian Couper

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Brian has worked in a number of partner management roles across SI, VAR and ISV partnerships and brings a wealth of experience in bringing value added services to market. Prior to his current role, Brian worked with Microsoft's telco partners building their SMB digital cloud services capability. Brian has worked at Microsoft for over 12 years, and prior to this worked with other collaboration, CRM and digital knowledge vendors.

Partners
Tech Data, intY, Arrow ECS, Giacom

Tom Greed

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Tom started out in distribution and joined Microsoft in 2012 after 14 years in the Microsoft channel; initially focused on Enterprise, but after supporting Softcat for 3 years, moved to the Indirect Provider community to focus on our SMB community and driving digital transformation

Partners
Ingram Micro, QBS, Grey Matter

Dan Hobson

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Dan has been a fixture in the IT industry on both sides of the Atlantic for 16 years. Having started out in the legacy world of delivering monolithic IT solutions to companies large and small, Dan moved into the managed services and cloud space in 2013. Employed at Microsoft since mid-2017, Dan brings knowledge of the partner eco-system and personal experience of how the reseller channel is transforming.

Partners
Westcoast, Cobweb, Wirehive

extended team

The PDM remains responsible for driving the business plan for each engaged/managed partner. Part of this engagement will demand clear input on your business priorities, ongoing and realistic guidance on the differentiations and capabilities of your organisation, and a shared agreement to deliver growth.

We appreciate that the market-forces and customer needs involve working with different expert teams within One Commercial Partner, and the wider Microsoft business.

- **Partner Technology Strategist** – the assigned team are detailed in the technology services guide.

- **Partner Sales Managers** support from Build-With team – engaging directly with Liam Cullinane

- **SureStep** is Microsoft's programmatic investment to grow the indirect provider channel, with focus on driving customer adds through new and existing CSP resellers. Three key elements drive this program:
    1) Content Syndication (Supporting the Digital engagement)
    2) Funded Headcount (field and internal)
    3) Events (creation, supporting Indirect Provider events and management of Microsoft events)

    Driving three key outcomes:
    1) Driving **new Channel Managed customers** in new categories in SMB
    2) Acquiring **new customers** by supporting partner solutions, and bringing leads to bear with the referral program and our OCP Catalogue approach
    3) Accelerating **partner growth** whilst Maximising the Digital engagement and opportunity

Guidance, Data and progress will be shared continually as this develops to demonstrate the impact of the scale and the increase in dedicated resource driving channel recruit and landing onsite, in FY19

- **Partner concierge** – There to provide assisted sign-posting, and support with escalations outside the PDM or TCM-P engagement. Accessed via partner.microsoft.com

- **Operations** Connection and escalation routes available for the UK are detailed in This guide

- **Digital engagement** is detailed in the GTM guide and starts with

Partner centre – and the Digital Engagements summary

- **Sell – With** team – Supporting the KEY opportunities, usually outside of SMB customers, and with an industry/vertical focus. When engaging on managed customers, the Sell-With team engagement can be crucial, and your PDM will be happy to connect and drive this.

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services guide

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To establish a consistent approach to providing services in the indirect CSP model, the table below describes the types of services deemed to be mandatory, good, better or best for an indirect provider to develop.

In doing so, it provides opportunities for new revenue streams, drives competition through differentiation and raises the bar for all providers.

#	Offering	Mandatory	Good	Better	Best
1	Annual reseller goals agreed	•	•	•	•
2	Annual reseller business reviews		•	•	•
3	Quarterly business reviews			•	•
4	Assigned contact team	•	•	•	•
5	Dedicated account manager		•	•	•
6	Dedicated external account manager			•	•
7	Basic quota response SLA	Same-Day	6 hour	4 hour	Instant
8	Technical pre-sales SLA	48 hour	Same-Day	6 hour	Instant
9	Guidance on optimising Microsoft incentives	•	•	•	•
10	Customer Lifecycle Management program reviews		•	•	•
11	CSP portal on-boarding and support	•	•	•	•
12	Cloud and reseller migration planning	•	•	•	•
13	Defined CSP contract	•	•	•	•
14	Contract support SLA			•	•
15	Support for partners in creating marketplace IP		•	•	•
16	Skills and readiness plan	•	•	•	•
17	Partner community program inclusion			•	•

baselining

It is often said that in order to know how to get to where you are going, it is a good idea to know where you are to begin with. Taking a baseline of where your business is today against the services in the matrix is useful in establishing a common benchmark from which you can work with your PDM to establish areas of strength and weakness, and build a clear plan with SMART objectives to track throughout the year.

The responses from each indirect provider are confidential insofar as they are not shared with other providers.

It is recommended that you work with the commercial services matrix spreadsheet and discuss each line in depth to establish a current position against the following criteria:

1. No current capability

2. A plan has been put in place to achieve

3. Work is being undertaken to achieve

4. Item is about to launch within 90 days

5. Item is fully achieved and available

Once complete, your PDM can consult with you on which areas are a priority, what success should look like, timescales, commitment of resources, etc. This work will then inform the partner business plan which is submitted to Microsoft.

The baselining exercise is not designed to be a one-time activity. It is recommended to review the matrix at least one more time in the year to ensure it's kept up to date. This is important when it comes to understanding the indirect provider capability 'map' and helps Microsoft prioritise its resources to ensure the channel is being served adequately.
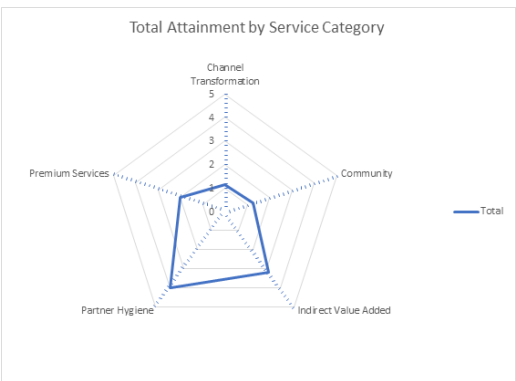
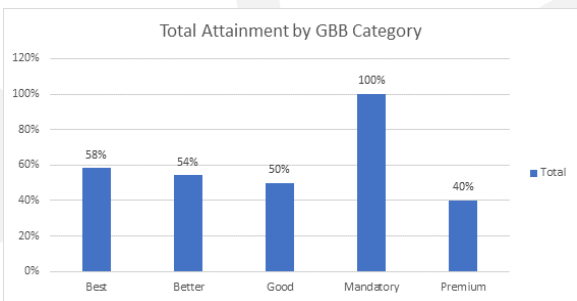Fig 1. Sample radar chart output from baselining exercise

Fig 2. Sample column chart output from baselining exercise

service descriptions

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1. Annual reseller goals agreed

Put simply, have you agreed a revenue/spend target with your indirect reseller?

This helps to define what growth expectation or commitment is being made from the partner, and allows you to ascertain which level of engagement, technical support and investment is appropriate. We receive feedback from indirect resellers that there is sometimes no marker for success, nor a clear view of how their performance or commitment is developing the relationship.

Other areas to consider include: Exclusivity (i.e. are they also a Direct Bill CSP partner?) / QML plan /qualification of the technical input required / programmatic inclusion / credit levels

2. Annual business reviews

Microsoft famously make assessments of partner engagement, goals and strategic alignment, and given that some of these are exceeded/missed, it is essential to *recognise* the relationship as it develops. Continual feedback and reiteration of these investments is clearly not just sensible, but essential to managing an effective *partnership* – particularly if people changes are impacting their experience. We suggest a ranking model to ensure partners passing certain milestones are recognised as moving from your defined categories of good/better/best

3. Quarterly Business reviews

Better and Best partners are often impacting your resources more than appreciated – (Pareto principle) and so managing these, and tracking their progress to the annual goals is vital. An executive check-in also represents a great opportunity to hone strategy and uncover new market opportunities for combined growth.

4. Assigned contact team

As a minimum/mandatory expectation, the contact team and day to day support options must be clear in order to allow for the minimum customer service impact.

5. Dedicated account manager

Assigned contact name, with either a support team, or validated and SLA-bound routes to escalate in their absence.

6. Dedicated external account manager

On-site presence with partners is a key expectation of the resellers, and demonstrates a serious investment to driving relationships, strategic alignment and earning exclusivity and commitment

7. Basic quote response SLA

Speed or response is critical in a competitive position, and the user experience is essential.

We have defined these based on partner feedback as the expected minimums, and accept that automation of this through your platform is a far cleaner way to ensure real-time pricing and guidance, but if connecting via email, IM or phone, then the rankings are set as Same-day / 6 Hour/ 4 hour/ To Be Agreed with the partner. Ideally these will be trackable to ensure you can demonstrate your service excellence, and detail during reviews.

8. Technical pre-sale SLA

Obvious but key to demonstrating value for partners seeking guidance on their solution and offerings – we have taken their feedback (one key area of dis-sat shared was a dropped guidance). We propose 48 hour as a mandatory minimum and Same-Day / 6 Hour/ bespoke as per agreement with the reseller. This is detailed further in the technical services guide.

9. Guidance to optimise partner incentives

We see this as a key element of helping partners maximise their profitability through your engagement. Microsoft UK deliver quarterly webinars and ongoing guidance to navigate the complexity and range of Microsoft incentives. (Local incentives, LCI and Global incentives)

- Guidance on the Partner center tools, or supporting them with their eligibility on https://partner.microsoft.com (Log-on required)

- Guidance on how to raise an escalation or query via: eocciesc@microsoft.com

- Nudging partners on their unclaimed incentives where eligible, data for which is provided from the UK incentives team (and via your PDM)

- Attending the UK Webinars and engaging to support their questions and understanding of the programs., and clarity that EOC manages UK calculations & payments

10. Customer lifecycle management program reviews

Increasingly, resellers look for more than a transactional relationship from their indirect provider. Having a robust lifecycle management program that applies the right resources to the right partners at the right time drives all the right behaviours across many forms of transformation: cultural, sales and technology. Investing time to educate, grow and listen to your resellers will see them invest further into your ecosystem and make it less tempting to move to a different provider.

Support by workload can be sourced through the TCM engagements (i.e. Modern Workplace or Apps and Infra for Azure) and is significantly improved when a dedicated owner is driving focus and ownership to maximise both the data and the wider opportunity.

11. CSP portal onboarding and support

Various routes to drive and assist with this important onboarding process:

- Support routes clarified.

- Platform onboarding and *walked through.. (How to Videos)*

- Validation and run-through testing- ONGOING

- CSP (Partner Led) Partner Click to Submit Begin Onboarding for a new CSP Partner

- CSP For additional assistance with onboarding Click Further Assistance

- Live chat when you need additional assistance with your onboarding Click Live Chat email or telephone escalation points – BEST is 24/7, not just office hours

Additional "How-to" CSP program information can be found here.

12. Cloud and Reseller Migration planning

This is distinct from CSP onboarding, and intended to help partners with the complex moves from Distribution to a CSP Provider. Is this a documented process which can be reviewed?

Other factors include: Credit, support processes, commercial commitments and actual numbers reviewed. How/does this impact other vendors in your portfolio? How does this affect your partnership and bring cross/up-sell engagements to bear etc..

13. Defined CSP contract.

Whilst Advanced Support for Partners (ASfP) can cover many requirements of an indirect provider, there are benefits to upgrading. The two offerings are not mutually exclusive and can be run in parallel to meet different needs.

For example, if you run your own in-house developed CSP and marketplace platform you may wish to cover your business with PSfP, whilst only offering ASfP to your reseller partners. This gives you peace of mind that you'll have the mission critical support right when you need it if your platform encounters difficulties.

It is key to be clear about ownership and expectations of your reseller partners within the CSP contract, and again helps Providers to differentiate and demonstrate value.

Go to the Premier Support for Partners pages and compare partner support plans to learn more.

14. Defined CSP Contract with SLA

Clarity on the ownership and escalation routes is a common request from resellers, and defining this within an SLA is strongly recommended as a route to demonstrate your value.

These escalation routes can support your contract or SLA creation:

All routes detailed in this guide we also recommended the real-time and historical content on the Microsoft Partner Yammer Community

15. Support for partners creating IP

A key motion in the ISV Partner community is the creation of, and P2P driven improvements to the IP or solution offerings which can then be landed on various online marketplaces (i.e. the Azure Marketplace: https://azuremarketplace.microsoft.com/en-uk) to drive reach and new markets. Supporting partners in the creation of, positioning and amplification of their IP is a key value of the indirect provider. Whilst we understand that each engagement with this is bespoke, having a clear position on whether, how and where you can help them is Good, but not mandatory expectation. Microsoft offer multiple engagements to help drive this and we expect wider programmatic approaches to this will land in FY20.

16. Skills and readiness plans

Partner readiness is complex and wide-reaching, but essential expectation is to be able to detail and share the basics with your partner community – We are happy to help drive this, and have various contacts in the UK Sub who are keen to land this effectively – connect with your PDM to engage once you have reviewed the training options on Microsoft.com/Learn Driving competency attainment with resellers is proven to increase the skills, capacity and engagement. Do you have a unique webpage detailing your to-partner resources? Do you have a Skills and Development lead? Is there a published portal to drive online skills?

17. Partner community program inclusion

Many partners already have a community program in place, i.e. Ingram Micro's Trust X, Westcoast's Nebula and Tech Data's Velocity.

The feedback we receive on these programs is excellent, and having a formal program in place is an excellent method to develop a tight partner community, driving partner loyalty and impact.

The key benefits of these programs are ability to drive thought leadership, partner-to-partner engagement and your unique approach and capacity to support current industry trends and evolution. Whilst Microsoft don't intend to control or own this approach, and we respect that you'll want to include multiple vendors, we remain keen to support and invest in driving these as they are clearly driving both partner reach and yield.

Our GTM division can support in building out new community programs and will provide content and comms to help them remain current.

Q- Is there a dedicated partner lead?

next steps

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Once you've completed your first pass through the survey and have established your baseline position it's time to get planning! Who doesn't love a good plan?

When considering what you should plan to achieve, keep in mind some of the following ideas:

- **What strengths can you build upon that already exist in your business today?** Typically, it's harder to build something from scratch the further away it is from your current model and skill set. For example, if you have a history of building strong business productivity solutions it's going to be quite a leap to try and become an AI business overnight. Whereas, if you've been dealing in data for a while, taking your first steps into machine learning, big data and analytics isn't so difficult. *If the skills you need to grow aren't already in your business, why not consider a partnership with another company?*

- **Have you conducted a SWOT analysis of your competition to understand where there are gaps and opportunities in the market for you to differentiate your platform and services offerings?** There are some things every indirect provider should do, but there's still plenty of ways to stand out in the market. Whether it's building new levels of intelligence and insight into your platform, developing IP which your resellers can sell, or something nobody has not yet thought of, it's always good to keep one eye on the competition!

- **Where does your Microsoft business rank in terms of the other vendors you carry, and where would you like it to be?** At Microsoft, we're mindful that we might not be your number 1 vendor in terms of wallet share today. The market is rapidly evolving and the industry is seeing a huge shift towards public cloud solutions, annuity business models, and repeatable solutions and IP. We're here to help you secure your future success by building a strong, profitable and predictable business.

- **What does success look like for you and your business in 3-5 years time?** Agreeing on a plan requires a partnership of mutually beneficial outcomes. It's a good idea to be clear about what you think your business needs to look like over a period of time as the engagement from One Commercial Partner will be multi-year.

Your team will work with you to consider these things and many others to establish an achievable and challenging technical business plan. The radar chart output from the baseline will be one of the key foundations to include.

You should agree with your PDM on a date to review the plan and baseline and update with the progress made throughout the year. This will aid in the QBR process by sticking to a consistent set of KPIs to refer to over time, and across providers.