



The Operating Edge for Microsoft Partners

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RYZER Pulse

GTM Motion

Microsoft Announcements

Patch Tuesday

RYZER Feedback

The Recognition Bar Just Moved

Microsoft sellers heading into FY27 are no longer looking for partners with a Copilot story. They are looking for partners with agents running in production. That is not a messaging shift. It is a structural change in how Microsoft identifies which partners get surfaced to field sellers and which ones stay invisible.

Microsoft is evolving the Frontier Badge into a specialization model with defined partner roles: separate tracks for service partners, channel partners, and an updated Frontier Distributor designation for the SMB channel. The goal is simple: help sellers identify the right partner for agentic AI deals faster. A broad “Frontier” label no longer carries the same weight as a partner with a clearly defined and demonstrated role.

Nicole Dezen, Microsoft’s Chief Partner Officer, stated the distributor intent directly: the update exists so resellers can identify distributors that enable them to transact and grow agent sales through the Microsoft Marketplace. For SMB-focused partners, the implication is immediate. Most are still positioning Copilot adoption as their AI credential. Microsoft has already moved the recognition bar past that. The partners getting pulled into FY27 SMB deals will be the ones sellers recognize as agent-ready: partners with governance, deployment, and real-world delivery experience with agents, not just Copilot messaging.

Microsoft’s “Customer Zero” requirement makes this operational.

Dezen stated that partners cannot credibly sell agent deployment without having run it themselves. This is not a best practice suggestion. It is the new credibility standard.

An SMB partner with even one governed internal agent, observable and secured, has something concrete to show a field seller. One without it does not. The filtering mechanism is already shifting. ASPX targeting signals identify high-propensity Agent 365 and Copilot opportunities in a partner’s territory. Partners without agent deployment in their story are far less likely to surface as the obvious choice for those conversations.

FY27 priorities will be set at MCAPS Start on July 22. The partners already operating in the agentic layer will be the ones Microsoft sellers recognize and bring into deals. The ones still “getting ready” will be watching from the outside.

“Copilot got you into the conversation. Agents determine whether you get into the deal.”



Sandie Knight



RYZER Tips

- **No agent deployment means no presence in ASPX targeting** — field sellers routing high-propensity Agent 365 opportunities will not find you.
- **Microsoft is evolving the Frontier Badge** into a specialization model with defined roles so field sellers can route agentic AI deals without having to evaluate partners themselves.
- **Check your distributor relationships** against the updated Frontier Distributor designation before FY27 planning locks in.
- **You cannot sell agent deployment without having run it yourself** - that is Microsoft's stated position, not a best practice.

The heartbeat of the partner community. Each week we surface real stories and questions from Microsoft partners —pulled from Patch Tuesday calls, field conversations, and direct feedback—to help you spot patterns, avoid pitfalls, and stay ahead.

“Why does the Frontier specialization model matter more than the badge did for co-selling?”

The badge required sellers to evaluate what you do. The specialization tells them immediately — service partner builds and deploys, channel partner scales and transacts. Role clarity is what changes deal access. Partners who don't define their role become harder to route.

“Do we need agents deployed internally before customer conversations?”

Yes. A real, observable, governed agent running inside your own business is the credibility standard Microsoft has set. It does not need to be a large deployment — it needs to exist before the conversation, not as a result of it.

“How does Agent 365 apply to SMB customers?”

Agent 365 is the governance layer for agents at any customer size. The SMB entry point is not the E7 bundle — it is deploying and managing agents through admin infrastructure SMB customers already use. Most SMB-focused partners have not built this capability yet. That gap closes fast in FY27.

TO DO THIS WEEK

— 3 MOVES. BIG IMPACT. —

1.

Pull your Frontier Badge status in Partner Center and identify the gap to the new service or channel specialization.
2.

Access the updated Copilot + Power Accelerate materials on the Frontier Transformation hub and run an **Immersion Briefing** with your highest-propensity SMB accounts.
3.

Pull your Agent 365 and Copilot targeting signals in ASPX now — the partners who act on these first set the field seller relationship before FY27 priorities lock.

BE AGENT-READY. GET PULLED IN. WIN TOGETHER.

[Ability Summit - May 19 - 20 In-person/On-line](#)

[Microsoft Build 2026: June 2-3 In-person/On-line](#)

SAVE THE DATE! MCAPS for Partners is July 22, 2026
(registration details coming soon!)

[Microsoft Partner FY27 GTM Kickoff - July 28](#)

[Partner of the Year Awards - Nominations open 6/1/26](#)

[May Partner Center Announcements](#)

[Microsoft Partner Blog](#)

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Patch Tuesday Preview

RYZE MEMBERS ONLY

[Tuesday, May 19th - 1PM EST](#)

Microsoft Agentic Strategy in FY27



RYZER Feedback

We want to hear from you!

This week's question: *If a Microsoft field seller looked at your partner profile today, what evidence would they see that you have deployed agents — not pitched them?*

Send your reply to [**ryzeup@ryze-partners.com**](mailto:ryzeup@ryze-partners.com). We'll feature a few partner perspectives in an upcoming issue of the RYZE Report.

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