DECISION INC.

# Turning Rigidity into Agility

We help our customers move from “paying for what was committed” to “paying for what is used.”

Microsoft



# Executive Summary



Microsoft is reshaping its commercial licensing landscape — not only to simplify how customers buy cloud services, but to support the next phase of AI-driven, data-centric transformation.

As we move into 2026 and beyond, licensing decisions are no longer just about users and devices. They increasingly determine how organizations access and govern artificial intelligence capabilities such as Microsoft Copilot, how they secure and use their data estate, and how they scale cloud services responsibly and cost effectively.

Recent EA changes, including the removal of volume-based discounts for online services and tighter eligibility for smaller organizations, mean many customers must now rethink how they buy, manage, and optimize Microsoft licenses.

At the same time, Microsoft is prioritizing CSP as the commercial foundation for:
- AI workloads
- Consumption-based services
- Rapid product innovation

This playbook provides a clear, customer-friendly guide to:
- What has changed in Microsoft EA licensing
- Why CSP is becoming the preferred path
- What this means commercially, operationally, and strategically
- How to transition step by step
- How to extract long-term value through a CSP partner — especially in an AI-first future

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# What's Changing with Microsoft Licensing

1

### Removal of EA Volume Discounts for Online Services

Microsoft is standardizing EA pricing for cloud services:

- EA price levels (B, C, D) for online services are being retired
- All EA customers now default to baseline (Level A / list) pricing for online services at renewal or when adding new services
- This primarily affects:
  - Microsoft 365
  - Office 365
  - Dynamics 365
  - Azure
- Security, Identity, and Power Platform services

**What this means? Customers who historically relied on EA scale discounts may see higher unit costs at renewal unless they proactively plan.**

2

### EA Eligibility Tightening for Small & Mid-Size Customers

Microsoft is actively reducing EA availability for smaller organizations:

- Customers closer to the 500–2,400 user/device range may no longer qualify for EA renewal
- These customers are guided toward CSP or Microsoft Customer
- Agreement for Enterprise (MCA-E)

**Key shift: EA is no longer the default for all growing businesses - CSP is now the strategic path.**

3

### Commercial Model Simplification

Microsoft is moving away from long, complex, multi-year volume contracts toward:

- Subscription-based licensing
- Evergreen agreements
- Consumption-aligned commercial models

**This aligns Microsoft licensing with how cloud services are consumed.**

# What This Means for You as a Customer

| FINANCIAL IMPACT | OPERATIONAL IMPACT | STRATEGIC IMPACT |
|---|---|---|
| Potential increase in per-user pricing at EA renewal | Shift from annual EA true-ups to subscription lifecycle management | Partner becomes your primary commercial and support interface |
| Reduced long-term price protection compared to a 3-year EA | Increased flexibility to scale licenses based on real usage | Licensing decisions become more frequent — but more controllable |
| Greater opportunity for active cost optimization under CSP | Stronger reliance on partner guidance and governance | Closer alignment to Microsoft's cloud and AI innovation roadmap |







# Introducing the Microsoft CSP Program

**The Cloud Solution Provider (CSP) program is Microsoft's preferred, partner-led licensing model that's governed through a Microsoft Customer Agreement (MCA). CSP enables faster innovation cycles, local accountability and better customer experience through partner.**

**How CSP Works?**

**Licenses are purchased through an authorized CSP partner**

**Your partner (Decision Inc) manages:**

- **Licensing design**
- **Billing and invoicing**
- **Renewals**
- **Support escalation**
- **Access to Azure Cost Management Tool**
- **Optimization and advisory services**
- **Additional professional services configuration, deployments, managed services and more...**

**What is a Microsoft Customer Agreement (MCA)?**

**The MCA replaces traditional EA paperwork with a simplified framework: The MCA is a once-off online, evergreen agreement directly with Microsoft that allows you to buy and use Microsoft cloud services through a partner.**

| EA | MCA |
|---|---|
| 3-year fixed term | Evergreen |
| Enterprise Enrollment | Single agreement |
| Annual true-ups | Subscription lifecycle |
| Direct Microsoft focus | Partner-led model |

# How the EA to CSP Transition Actually Works

Moving from an Enterprise Agreement to CSP is often perceived as complex, but in practice it is a commercial realignment, not a technical migration. When planned correctly, there is no disruption to users, services, or data. Below is how a well-managed transition typically unfolds.

## STEP 1: Gain Clarity on Your Current Agreement

The process starts with understanding where you stand today. This includes confirming your EA expiry date, reviewing the products you currently license, and identifying where pricing protections or discounts apply. At the same time, looking forward to - planned growth, restructures, or new initiatives matter just as much as your current state.

## STEP 2: Understand the Commercial Impact

Next, your EA pricing is compared with CSP options. This highlights where pricing may change and where CSP flexibility can improve cost control. Rather than treating licensing as a once-off renewal decision, this step focuses on how your organisation actually consumes Microsoft services.

## STEP 3: Put the Right Agreement in Place

Before CSP licenses can be transacted, the Microsoft Customer Agreement is accepted. This is a once-off administrative step that replaces the recurring paperwork of an EA. It does not change your tenant, services, or users - it simply enables a more flexible commercial model going forward.

## STEP 4: Design Licensing Around Real Usage

Your EA licenses are then mapped to CSP equivalents, and subscription terms are selected intentionally. Stable workloads are aligned to annual subscriptions for price certainty, while evolving workloads can remain flexible on monthly terms. This step ensures licensing reflects today's reality, not assumptions made years ago.

## STEP 5: Execute the Transition Smoothly

CSP subscriptions are aligned to start as your EA expires, avoiding overlap or gaps. Licenses are provisioned in your existing tenant, the correct association links and security groups are attached and users continue working as normal. From an end-user perspective, nothing changes.

## STEP 6: Move into Ongoing Optimisation

After transition, licensing becomes an ongoing management activity rather than a three-year event. Regular reviews ensure you only pay for what you use and that new services are licensed intentionally. This is where CSP delivers its real value — continuous optimisation, clearer cost visibility, and licensing that evolves with your business.

**CUSTOMER HIGHLIGHT:**

Unlocking Major Support Savings

Customers transitioning off a Microsoft Enterprise Agreement (EA) no longer need to purchase a costly Microsoft Unified Support contract. Instead, they can now access Level 1 & Level 2 cloud support, including on-premise product support—directly through Decision INC. This shift delivers significant cost savings starting at $50,000, while still ensuring expert guidance and reliable support across both cloud and on-premise environments.

## Guidance on EA Products & CSP Mapping

| EA PRODUCT | EA MODEL | CSP EQUIVALENT | ADVISORY RECOMMENDED |
|---|---|---|---|
| Windows Server | Per Core + SA* | Subscription / Azure Hybrid Benefit | Yes |
| SQL Server | Per Core + SA* | SQL Subscription / Azure SQL | Yes |
| System Center | SA*-based | Included / Subscription | Sometimes |
| Microsoft 365 E3/E5 | User-based | M365 E3/E5 (CSP) | No |
| Office 365 | User-based | O365 (CSP) | No |
| Dynamics 365 | User-based | Dynamics 365 (CSP) | Sometimes |
| Power BI Premium | Capacity | Power BI Premium (CSP) | Yes |

* Software Assurance





## Tips & Tricks: Getting More Value from Your CSP Partner

| COMMERCIAL OPTIMIZATION | LICENSING GOVERNANCE |
|---|---|
| Blend annual and monthly subscriptions strategically | Implement quarterly license reviews |
| Use partner-led promotions and incentives | Remove unused licenses proactively |
| Time renewals to avoid unnecessary overlap | Track add-ons separately from base SKUs |
| **TECHNICAL & STRATEGIC VALUE** | **RISK REDUCTION** |
| Leverage partner workshops (security, compliance, Copilot readiness) | Avoid overcommitting to annual terms without usage baselines |
| Use Azure Hybrid Benefit and reserved instances where applicable | Document decisions for audit readiness |
| Align licensing to workload maturity, not assumptions | Align cancellation and renewal timing to avoid unintended charges |





# Frequently Asked Questions

This section answers the most common questions customers ask when considering a move from EA to CSP. It's designed to be practical, transparent, and decision oriented.

| | |
|---|---|
| **1. Why is Microsoft encouraging customers to move away from EA?** | Microsoft is simplifying its commercial model and aligning licensing with cloud consumption. EA was designed for large, predictable, on-prem estates. Today's cloud services change more frequently, scale up and down, and benefit from a subscription-based approach — which CSP supports better. |
| **2. Am I being forced to leave my EA?** | Not always. Some larger organizations may still qualify for EA renewals. However, many small and mid-sized customers are no longer eligible at renewal and are guided toward CSP or MCA-E. Even where EA is still an option, the commercial advantages have reduced. |
| **3. Will my Microsoft services change or stop if I move to CSP?** | No. Your services, users, data, and tenant remain exactly the same. CSP is a commercial and support model change, not a technical migration. |
| **4. Is CSP more expensive than EA?** | It depends on how licensing is designed and managed. EA pricing benefits have reduced with the removal of volume discounts, while CSP offers flexibility, optimization opportunities, and partner-led cost management. Many customers find CSP more cost-effective over time when actively managed. |
| **5. Can I still get price protection in CSP?** | Yes. CSP offers annual and triennial subscriptions that provide price protection for the term. Monthly subscriptions are also available where flexibility is more important than long-term pricing certainty. |
| **6. What role does my CSP partner play compared to Microsoft?** | Your CSP partner becomes your primary point of contact for licensing advice, billing, support, and ongoing optimization. Microsoft continues to provide the underlying cloud services. |
| **7. What happens to Software Assurance benefits?** | Some traditional Software Assurance benefits change in CSP, particularly for on-prem workloads. Many are replaced by cloud-native alternatives such as Azure Hybrid Benefit and built-in security features. |
| **8. Can I scale licenses up and down more easily in CSP?** | Yes. CSP allows more frequent adjustments compared to EA true-ups. The level of flexibility depends on whether subscriptions are monthly or annual. |
| **9. Can I mix EA and CSP licenses?** | In some scenarios, yes. A hybrid approach is common during transition periods. |
| **10. Do I need to sign a new agreement every year?** | No. The Microsoft Customer Agreement (MCA) is signed once and reused for all future CSP purchases. |
| **11. How long does an EA to CSP transition take?** | Most transitions take 2–6 weeks depending on complexity, with no service disruption when planned correctly. |
| **12. Why should I move to CSP with your company specifically?** | We act as an extension of your team — proactively managing licensing, navigating Microsoft changes, and aligning decisions to your business goals. |

# CUSTOMER TIPS & BEST PRACTICES

***CUSTOMER TIP:***

Customers who engage with a CSP partner 3–6 months before EA expiry typically have more commercial options and better pricing outcomes.

***PRACTICAL TIPS TO GET THE MOST VALUE***

- Start with monthly subscriptions for uncertain workloads, then move to annual once usage stabilizes
- Review licenses quarterly to remove unused or underutilized subscriptions
- Separate "core" licenses from add-ons for better visibility
- Use partner-led assessments to uncover hidden optimization opportunities
- Plan renewals early to avoid last-minute decisions



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## YOUR NEXT STEP

Microsoft licensing is changing — but with the right partner, this transition becomes an opportunity rather than a risk.

SCHEDULE

**a no-obligation licensing connect with us to understand your options, costs, and timeline — before your EA expiry limits your choices.**

Microsoft Solutions Partner
Modern Work

Microsoft Solutions Partner
Security

Microsoft Solutions Partner
Digital & App Innovation
Azure

Microsoft Solutions Partner
Infrastructure
Azure

Microsoft Solutions Partner
Business Applications

Specialist
Supply Chain
Finance

Microsoft Solutions Partner
Data & AI
Azure

Specialist
Analytics

**Decision Inc. is a Microsoft Solutions Partner with deep specialization across Cloud Infrastructure, AI & Data, Business Applications, and Security. We deliver measurable impact through advisory-led consulting, technical excellence, and industry-aligned solutions. Our services span architecture, deployment, implementation, and ongoing management - ensuring full lifecycle support for every client – Learn More about our Microsoft Capabilities here**

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*Disclaimer: This playbook is intended for guidance only and does not replace official Microsoft licensing terms.*

DECISION INC.

# POWERING INNOVATION

**Decision Inc.** is a leading advisory-led technology services business with deep expertise in data, analytics, and artificial intelligence. We've helped hundreds of organisations across industries build practical AI strategies and deliver tangible outcomes.

Our approach is simple: start with business goals, apply proven frameworks, and deliver solutions that work. Whether you need support with data readiness, AI literacy, or launching your first AI use case, we're here to help.



## Locations

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