

2023 TSIA STAR Awards Featured Application

Breaking Down Enablement Gaps to Strengthen Partner Success



PS PARTNER DEV PROGRAM

Problem

On October 18, 2022, Palo Alto Networks PS program team and leadership were privileged to attend and present at the 2022 TSIA Envision conference. John Guisto, then VP of Professional Services, presented on the critical cross-organizational alignment of our Services organizations and partner ecosystem. As John stated, "Palo Alto Networks Professional Services attaches approximately 4% of Services overall to our customer base, which includes 80,000 customers to date in 150+ countries across multiple industries." Our enterprise strategy requires that we create, support, and maintain a capable delivery partner network without sacrificing the reputation for quality delivery of our products. Successful deployments are crucial for growth, expansion, and renewal. To address this challenge, we developed a phased approach for strategically selecting a subset of our ~10,000+ global partners to deliver top-tier solutions as an extension of our PS team. Sequential problems needed addressing before remedying the larger problem. Many of our partners required development in these areas:

- Expansion in our portfolio for more comprehensive solutions
- Deployment experience, accreditation, and validation
- · Improvement in the quality of product-based services
- Application of insight from review processes and data collection

"[PSDP] has truly enabled our services team to confidently promote Palo Alto Networks and the technologies. By participating in (PSDP), our team has been able to train, Q & A with SMEs, and gain the experience to improve the delivery of our PAN professional services."

Solution

The cybersecurity industry is complex and ever-changing. We need adaptable partners who can incrementally retain and improve their skills. Our partners are truly an extension of our team, and we must enable them to deliver Palo Alto Networks solutions effectively and confidently. In fact, an increasing number of solutions delivered to our customers are tied to joint opportunities or deals directly sourced by our partners. Therefore, we train our partners in the same way we train ourselves. To accomplish this, we have a unified set of programs that provide unique strategies to all our partners. In September 2021, we created our Professional Services Partner Development Program (PSDP) to target and advance midmarket enterprise partners' technological growth and competencies globally. Since the program's inception, it has doubled in size, helping 200+ targeted partners worldwide to build up their delivery teams' expertise and talent pools. The program provides proper guidance through an exclusive platform user experience related to learning paths, accreditations/certifications, industry-focused packages, delivery assurance, and hands-on workshops that support three key themes:

- 1. Portfolio expansion. First, a successful partner must learn about our products and understand how they operate within the Palo Alto Networks portfolio. Our PSDP Learning and Gamification platform is supplemental to our existing knowledge bases. We use learning-based assessments, evaluations, metrics, and monthly partner check-ins to identify areas of opportunities or difficulties that need gap development. Next, we help stimulate expansion and strengthen their existing portfolios with always-available digital content, customized demonstrations, focused webinars, and instructor-led training (ILT) online or in person. Our program workshops offer joint learning opportunities, which expand our partner capabilities as well as provide valuable feedback on new field scenarios and various product integration experiences. This collaborative approach provides insightful input back to our instructors, assists us in curriculum refinement, and builds trust in relationships with program partners. These exclusive workshops are incentives to drive our data-driven program goals forward, providing the opportunity for our partners to earn awards they can use to build credibility in the cybersecurity industry.
- **2. Experience and accreditation.** We encourage a LAER approach (i.e., Land-Adopt-Expand-Renew, TSIA) for our deployments. Our go-to-market methodology includes cross-organizational alignment of sales, education, architect, product, and practice stakeholders. Maintaining this orchestration throughout the customer lifecycle has proven successful but can be complex. We encourage our partners to adopt this model as we designed our experienced-based accreditation program to support this need. Our ILTs/workshops reinforce our outcome-based approaches. Partners can learn and prac-

tice different deployment techniques within a personalized lab environment and with the support of a subject matter expert. The modules and workshops offer hands-on guided training aligned with achieving Palo Alto Networks credentials. PSDP also offers a Certification Voucher Challenge that incentivizes partners to achieve and renew their certification goals established around clearly defined prerequisites, target goals, and earned program certification vouchers, among many rewards. Coupling existing field experience with lab experience and credentialing is a powerful force to build a partner's reputation in the cybersecurity industry and their addressable client markets. As experience and accreditation grow, partners can build their own offers or managed services that create incremental opportunities for them and for us.

3. Continuous improvement. Lastly, studies show that customers are more likely to renew their services or expand their relationship with Palo Alto Networks if they are highly satisfied with the quality of the product implementation. **Visibility into deployments** that do not include our resources is key to the continuous improvement of our solutions. To-

gether with our partners, we measure customer outcomes to ensure high-quality deployments. We do this by collecting and providing several metrics, including customer satisfaction feedback from our customers. This feedback provides valuable lessons to help us identify supplementary training and support that we need to provide. In cases where a partner lacks experience or requires additional support on a deployment, we provide on-the-job enablement, shadowing, and guidance through our Delivery Assurance offerings with the goal of amplifying our partners' success in their initial opportunities.

"PSDP program helps my team reach the certification path that they want to overcome. PSDP help us track our customers satisfaction, allowing us improve in the areas that we need. The PSDP program challenge our team to sell more solutions and drive our clients to the satisfaction."

Business Impact

According to our Palo Alto Networks financial reports, the 2022 fiscal year revenue grew 29% year over year to \$5.5 billion. As reported in the latest YTD report, we expect to complete the 2023 fiscal year with total revenue in the range of \$6.85 billion to \$6.91 billion, representing year-over-year (YOY) growth of between 25% and 26%. In 2022, partners have collectively completed \$2.1 billion+ bookings with \$4.7 billion+ in pipeline. In addition to the company's growth, through the collaboration of efforts with various teams and our partners, the PSDP program has also excelled this year in the following areas:



Onboarded 200+ partners and 2,500+ users



Built 250+ tools and product-offering learning activities



248% increase in our learning path completion rate in FY23



1,042 certifications achieved by PSDP partners YTD



Tool usage increased from FY22 to FY23 by 97%



760 instructor-led trainings provided to PSDP partners

Partner Impact

These metrics demonstrate the significant investment that Palo Alto Networks is making to facilitate a generative and healthy partner ecosystem. The metrics also indicate that our partners are motivated and are succeeding with us. An above-industry average of 9.5 Customer Satisfaction (CSAT) score was realized because of our partners' investment and participation with Palo Alto Networks. Maintaining this score demonstrates that our products are being delivered at the highest standards and that our customers are happy. Our partners yielded a net increase in Services by 400%, and the average project revenue size significantly increased by 204% from FY22 to FY23.



Next Steps

Palo Alto Networks is the cybersecurity partner of choice, protecting our digital way of life. Our PSDP goal for the first year was to launch. In the second year, we executed, expanded, and doubled our partner base, based on board-level goals and sponsorship. FY24 will be the year of cultivation. Analytics and robust scalability will help us to effectively provide real-time visibility into opportunity pipeline and project deployments. This will increase improvement in our program and our partners' services revenue footprint. Our focus is to double our partners' Services reported YOY and increase our partner program utilization by 100%. We aim to transition 25%+ of our developing partners into certified or specialized programs within Palo Alto Networks to maximize their growth. We will increase their ROI as we break down barriers within our ecosystem and build bridges for our partners to better serve our customers.



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