

# Benefits of an Optimal Number of Performance Management Tools

By Peter Sevcik and Rebecca Wetzel

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“One only needs two tools in life: WD-40 to make things go, and duct tape to make them stop,” said a sage named G. Weilacher. According to NetForecast’s research on the effectiveness of IT performance management best practices, Mr. Weilacher is on the right track by concluding that a modest collection of tools can get a job done well.

In the case of performance management, tools from four vendors are sufficient to get the job done as efficiently as possible. Our findings show that after a critical point reached at four vendors, adding more tool vendors does not significantly improve an enterprise’s ability to find and resolve performance problems. Beyond what we call the “point of efficiency”, results do not warrant adding more tool vendors.

NetForecast’s research also shows that insufficient manpower is the primary barrier to improving IT performance. In most IT organizations too few employees have too much to do, and improving employee efficiency is like adding staff. Optimizing the number of tools IT staff must master improves efficiency, and it also addresses another barrier to improving IT performance—insufficient cross-group collaboration. Using an optimal number of performance management tool vendors facilitates cross-group collaboration because groups can more easily share data.

NetForecast recommends selecting a cadre of four performance management vendors, each providing a key subset of integrated and automated tools. This will enable your staff to coax the best performance from your IT infrastructure and the applications that run on that infrastructure, and to do so most efficiently and inexpensively.

## NetForecast Performance Management Tool Recommendations

- Optimize the number of performance vendors to four.
- Select tools that easily integrate with one another.
- Choose tools that are automated.
- Ensure your tool set includes an extensive knowledge base.

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## Optimal Performance Management Vendor Count

Over the course of the past year, NetForecast has surveyed more than 400 enterprises about their performance management practices. Forty-nine percent of survey respondents have more than ten thousand employees, 21 percent have between one and ten thousand employees, and 30 percent have less than one thousand employees. Respondents answered questions about how they discover performance problems and how quickly they are able to resolve them.

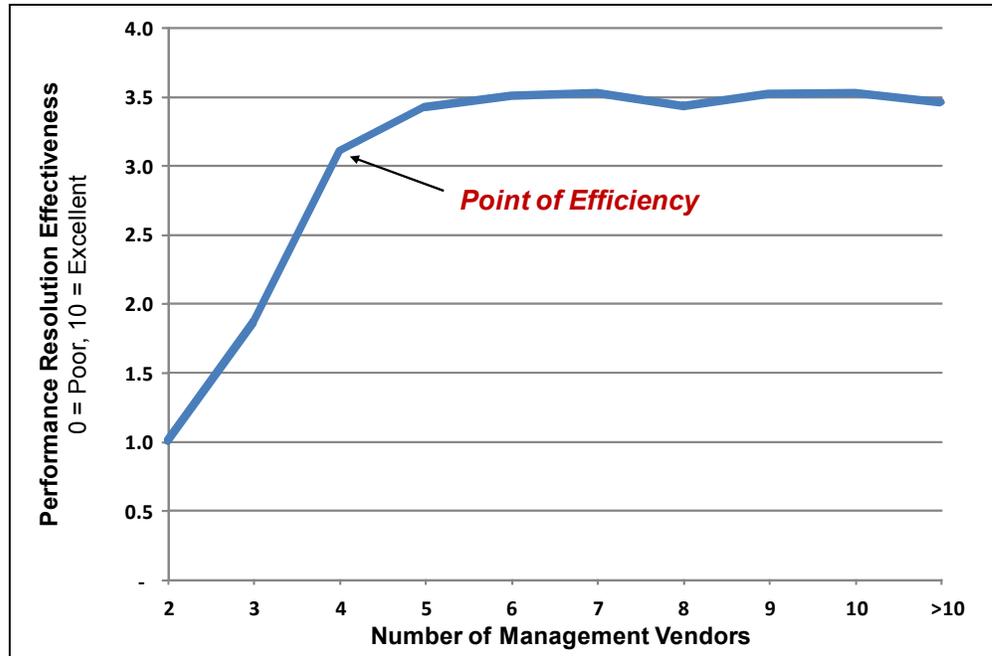
NetForecast analyzed each respondent’s answers to formulate an effectiveness score for their ability to discover and resolve problems. Effectiveness scores were calculated using a 10-point scale, with 10 the best and 0 the poorest.

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A subset of survey respondents also provided information about the number of performance management vendors they use to find and resolve IT infrastructure and application performance problems. Multiple tools, products, or services from the same vendor do not change the vendor counting as just one vendor. NetForecast found a clear correlation between the number of performance management vendors that respondents use and their benchmarking scores.

Figure 1 shows that performance problem discovery and resolution results improve dramatically as the tool vendor count approaches the point of efficiency at four. Minimal benefits accrue when the count reaches five—and almost no benefits are realized when the count exceeds five.



**Figure 1 – Problem Resolution Effectiveness per Vendor Count**

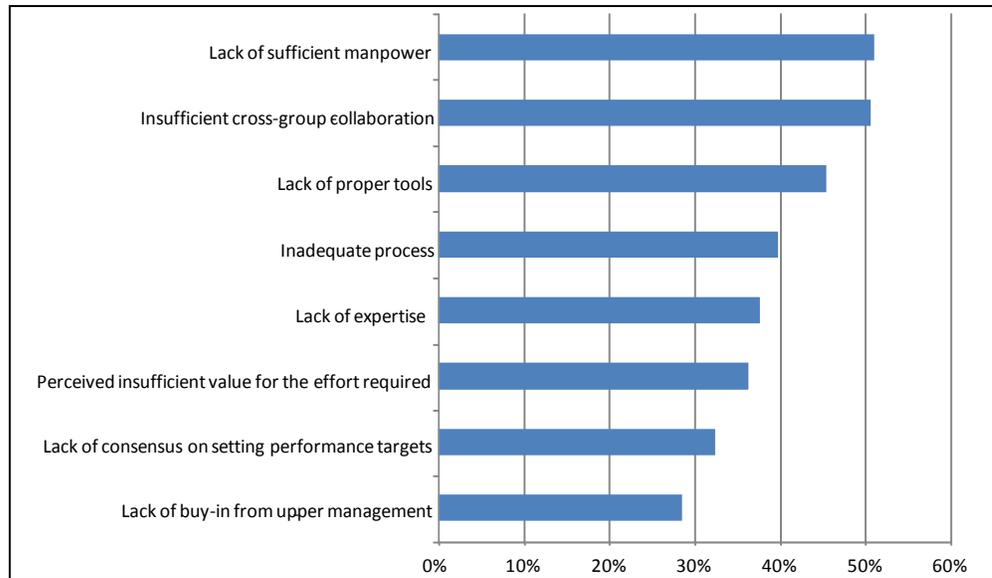
Forty-six percent of the enterprises that answered questions about their performance management tools told us they use tools from more than four vendors. This means that about half of the enterprises are operating beyond the point of efficiency and therefore suffer from the management challenges discussed below.

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### **Adding Vendors Taxes Manpower Resources**

IT manpower is in chronically short supply. Most IT groups have too much to do and too few people with whom to do it. This is borne out by NetForecast's data (see Figure 2) which shows lack of sufficient manpower as the leading barrier to IT performance effectiveness. Fifty-two percent of survey respondents cite insufficient manpower as an impediment to improving performance.

NetForecast believes that beyond the point of efficiency, the cumulative labor burden needed to master each additional vendor's user interface and unique attributes makes adding performance management vendors a questionable investment.



**Figure 2 – Performance Improvement Impediments**

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### **Adding Vendors Complicates Cross-group Collaboration**

Insufficient cross-group collaboration is nearly as major an impediment to performance improvement as lack of sufficient manpower. As Figure 2 shows, 51 percent of respondents mention that insufficient cross-group collaboration is a performance improvement barrier.

In NetForecast's experience working with scores of enterprises to improve IT performance over the years, when multiple groups use a plethora of different performance management tools, each with unique views and data sets, troubleshooting and resolving problems becomes extremely complex.

Consider an example in which an application is performing poorly and causing frustrated users to call the help desk. If you have ten performance management tools, each with a different view into some aspect of the problem, and if each tool user reports that his tool shows nothing is wrong, how do you identify the problem and determine its root cause? It requires a great deal of detective work, effective communication across groups, and the ability to make sense of a mishmash of data presented in many different ways.

Communication across groups and across silos is essential to compile the complete picture necessary to pinpoint and resolve the issue. Unfortunately, the more performance management tools you have, the more complex it becomes for groups to share views and data, and the more cumbersome problem resolution becomes.

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## Needed: a Few Good (Automated) Tools and a Knowledge Base

The NetForecast survey data shows that too few tools are also a big impediment to performance effectiveness. Forty-six percent of respondents say lack of proper tools impedes performance improvement. With fewer than four tool vendors, enterprises lack the full complement of capabilities they need to manage performance most efficiently and effectively.

Having a collection of many tools does not mean you have the “right” tools. You need the performance management equivalent of duct tape and WD-40 plus a few more essential tools to do performance management well. You need the “right” tools to help you improve performance—and those tools should be automated.

The reason tool automation is important returns us to the by now familiar theme of manpower and efficiency. The more automated the tools, the less manpower it takes to use them. When data is automatically transferred from one tool to another, IT staff can interpret and act on the data much more easily and quickly—and staffers can dive directly to the heart of a problem and resolve it using the fewest manpower resources possible.

To achieve automation tools need to be integrated. To see the big picture you need to be able to share data and views within and across tool platforms. Achieving this requires integration, and it is much easier to integrate tools from a limited count of tool vendors.

A powerful knowledge base is another important tool requirement. The reason for this circles back once again to manpower and efficiency. Keeping long-term records about performance (preferably over the course of one or more years) makes it possible to determine what “normal” is, and to learn from past experience how to recognize and solve problems. This makes it easier to determine, “this is what happened last time we saw these symptoms, and here’s what we did to solve it.” It also helps bring new employees up to speed more quickly, and reduces the danger of employees leaving and taking their knowledge with them.

It is even better if the knowledge base can incorporate procedures and suggestions for steps to take to resolve problems. This protects you from reinventing the troubleshooting “wheel” each time a problem occurs—a labor intensive and inefficient endeavor.

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## Conclusions

Freeing up manpower matters! An optimal number of four integrated and automated tools with an excellent performance management knowledge base enables fewer IT staff to support more users. This frees up staff from firefighting and incident management to devote more time to planning and proactively preventing problems. Your staff can concentrate on activities like upgrades, rolling out new IT capabilities, shoring up frail infrastructure, and ensuring capacity meets demand. These types of activities further improve performance management effectiveness, and contribute to the ongoing success of your business.

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## About the Authors

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