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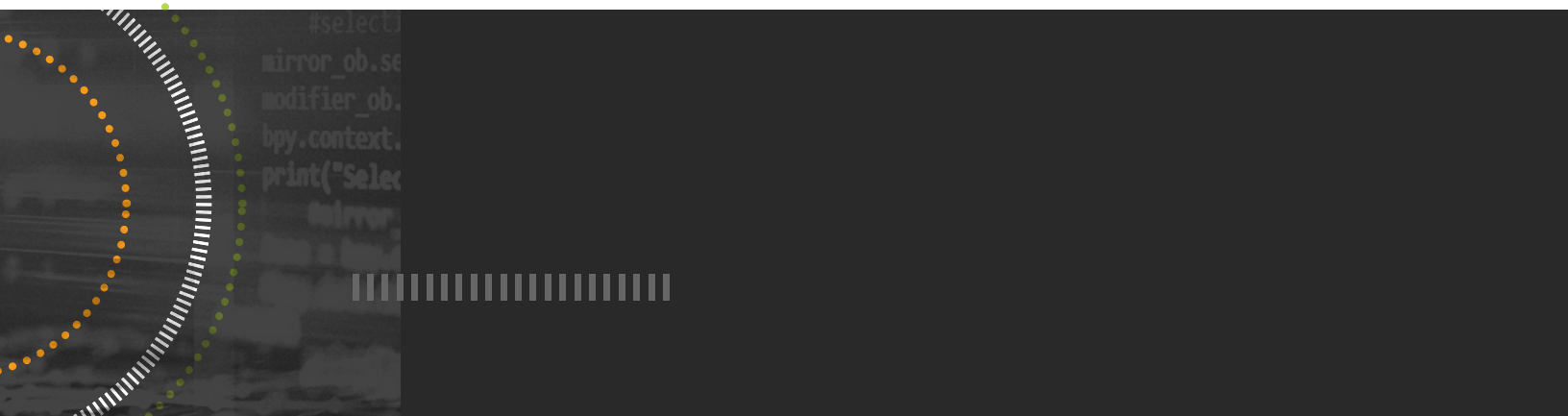
WHITEPAPER

Optimizing IT Costs for Optimal Performance



Optimizing IT Costs for Optimal Performance

INTRODUCTION

In today's new normal, organizations are searching for ways to optimize IT costs to fund higher-priority digital transformation and security initiatives (some related to the migration of staff working from home). IT organizations always have faced pressure, but now is an unprecedented time when the business relies even more on IT to do more (often with less) to keep business operations going and to innovate quickly to help the business respond to revenue challenges.

With proper tools and processes, leaders can enable their teams to build a practice around continuous IT cost optimization. With continuous optimization, organizations can get more from their existing budgets and can avoid spending cycles reacting to cost-reduction exercises.

There are multiple mechanisms to optimize costs. Organizations can optimize their use of IT assets, automate common time-intensive administrative tasks, and rationalize and consolidate IT tools. Optimizing IT tools can help solve the immediate goal of reducing costs and help organizations maximize the impact of critical business applications, which is even more important during periods of economic downturn.

Many organizations today take a siloed approach in how they manage service performance. A survey conducted by SolarWinds in 2018 found nearly half of enterprises cited an inadequate organization as the #1 barrier to success with achieving optimal performance[1].

In most organizations, each team (network, systems, applications, biz apps, etc.) focuses on ensuring the elements in their control work correctly, so when there's a problem, they can say, "it's not us," and point to another team—the classic case of finger-pointing.

Each team normally sources and funds their own tools, leading to tool sprawl. It's not uncommon for organizations to have between five and ten different monitoring tools, and sometimes upwards of twenty. This happens because a problem needs to be solved immediately and a tool is selected quickly without considering the overall monitoring strategy.

[1] SolarWinds IT Trends Report 2018
https://it-trends.solarwinds.com/archive/reports/2018/the-intersection-of-hype-and-performance/worldwide.pdf

While a distributed monitoring tool implementation is expensive (the cost of tools, time/cost of training, and tool maintenance), the cost of not having a centralized view of service performance can be expensive when no team is focused singularly on the application/business service view, there are often gaps in monitoring (especially with the introduction of hybrid/multi-cloud environments), and it's nearly impossible to understand the dependencies (and their status) upon which the application relies. This results in lengthy root-cause analysis and ultimately poor user experiences. The impact to the business also spreads to other high-value projects. With interruptions to deal with "the issue," your team isn't able to focus on transformational projects to move the business forward meaningfully.

In today's environment, IT operations management (ITOM) tool rationalization and consolidation should be considered your single most-important priority in your overall IT cost optimization strategy because the resulting business impact can be so great[2].

THE BENEFITS OF TOOL INTEGRATION AND CONSOLIDATION

Non-integrated monitoring and management tools face a range of challenges, from duplicate or underutilized tools, to higher training costs, to greater security concerns. Even understanding what you currently have deployed can be labor-intensive if you have to collect data from multiple departments, tools, and spreadsheets. You likely also know since network devices and systems have become standard, proprietary or customized monitoring solutions are no longer necessary—and aren't recommended often within a best-practices scenario.

Aside from reducing IT costs, automating manual processes, and improving service reliability, consolidating your ITOM tools offers a broad range of benefits, including:

- Consolidated dashboard—Streamlining your monitoring tools allows you to easily create a single network operations center (NOC) dashboard view for visibility across your entire enterprise.
- Out-of-the-box integration—Data integrated and correlated across the enterprise means your single-view dashboard includes vast amounts of information, allowing easier troubleshooting and more efficient operations. Out-of-the-box integration with your service desk aids in your incident, change, and asset management processes.
- Automatic dependency mapping—With an application dependency mapping tool, you can create custom maps for groups or entities to track the response time

[2] https://www.logicmonitor.com/resources/thank-you-for-downloading?url_content_id=471499&form=yes&_type=Whitepaper&content_title=Outage+Impact+Study&content_dl_link=https%3A%2F%2Fwww.logicmonitor.com%2Fwp-content%2Fuploads%2F2019%2F09%2FoutageImpactV10.pdf

of dependent services. By visualizing logical and physical relationships, you can gain insight into the servers, database, and network elements on which your application depends, so you can quickly troubleshoot issues.

- Improved asset discovery—A consolidated view gives you the ability to more easily discover and track network devices, servers, applications, connections, users, and more.
- Improved compliance and reporting—With consolidated logs, configurations, and patch data, you can meet compliance requirements more effectively and improve the reliability of compliance reporting.
- Improved security—Centralized information through a consolidated view means improved visibility of your control mechanisms, which can greatly enhance organization-wide security.
- Enhanced alerting—Centrally managed alerting eliminates related or redundant alerts and lessens alert fatigue.
- Easier support—Consolidated tools provide the means for easier support all around with a single support desk for your monitoring and troubleshooting solutions.
- Simplified administration—One view of your entire enterprise means more accurate and easier maintenance renewals as well as more effective capacity planning.

There are more advantages than these. Consider training. A single user interface with a common look and feel means enhanced usability—more people will use the system—and reduced training time and costs.

Consider, too, the ease of procurement, which can be time-consuming and involve many stakeholders in large organizations. Consolidating tools means consolidated purchasing, which can provide dramatic discounts and an easier procurement process.

WHERE TO BEGIN

Once you've recognized the value in tool consolidation to enhance your organization's IT consolidation, where do you start?

We've provided five steps to help you make the transition more easily.

Step 1: Define Scope

First and foremost, define your scope. This is the most important step you'll take, as it sets the stage for the rest of your initiative and will determine your subsequent steps.

Understand what you're trying to achieve—on multiple levels. For example, define the scope first; what organizations within your organization do you want to include and where are these organizations geographically located?

Once you've determined the organizational scope, determine the technical scope. Do you want to start with a focus on your highest-priority applications (recommended)? Should you include network, systems (both virtual and physical), storage, and application monitoring tools? What about database performance tools? Consider other processes outside monitoring—configuration and patch management, asset management, access management, and so on.

Step 2: Perform Inventory

Next, understand what's already in place. This may be one of the more difficult steps, yet another of critical importance.

Interview your IT operations team. Learn as much as you can about current tools, policies, processes, and procedures. What's in place today? What's working, and what isn't? Another important question: what's not doing its intended job? For example, you may find tools intended to monitor your entire infrastructure monitoring only a small portion. Which leads to the next question: what's missing? This last question enhances adoption of your new solution if it fills current gaps or pain points.

Once you understand what's in place, visit the finance team regarding which tools are under maintenance and which aren't. This conversation has the potential to provide interesting—possibly unexpected—findings. For example, you may find your organization is paying maintenance fees for unused tools. When speaking with the finance team, you should also get some insight if your organization prefers whether budget comes out of CapEx or OpEx.

Step 3: Conduct Needs Analysis

You've interviewed the IT operations team about what's already in place; now comes the time to ask them what they need to do their jobs more effectively. Remember, the IT operations team must adopt and use the selected tools for the solution to be effective. In fact, this team will do the care and feeding of the tools, so their buy-in is critical.

Imagine if you don't get their buy-in: users resist the tool because they weren't included in the decision-making process; monitoring solutions aren't used or maintained; management data and reports aren't accurate. Best to avoid this scenario.

Other groups to interview are the IT security team and IT leadership.

- The IT security team may be your strongest ally. The more effectively you can monitor and manage the enterprise, the stronger your organization's security posture.
- The IT leadership team has unique needs, different than the IT operations team. Leadership often requires dashboard-style views and higher-level reporting. Make sure to understand their needs and choose a solution to help them do their jobs more effectively.

Step 4: Conduct a Market Survey; Look for Differentiators

Once you understand your organization's needs—including those of the IT operations team, the security team, and the leadership team—now comes the time to see what products and services will best meet those needs.

You will, of course, have technical requirements many offerings will provide. How should you differentiate?

Consider tools beyond your technical requirements.

- Look for tools that are powerful; easy to try, use, and configure; and affordable. This is an uncommon combination provided by few vendors.
- Consider a solution with products to allow different stakeholders to get the specific tools they need and support for a phased approach to consolidation.
- Find scalable tools. Specifically, as you continue down the IT consolidation path, you'll need tools with the ability to scale as you consolidate and grow.
- To help further gain the support of the security and leadership teams, look for tools with customizable role-base access controls. This will help enhance security and speak to your commitment to a greater security posture..

It's also important to consider the vendor when you make your product choice. Be sure to choose a stable and growing vendor that regularly enhances its products to meet your evolving needs. Some of the technologies used in feeding digital transformation projects (cloud, SDx) also cause the biggest challenges in managing day-to-day performance, so it's important for your solution to be able to manage and monitor these new technologies quickly. Additionally, strongly consider a vendor with a large installed base with customers who have written public reviews or are active in their user community.

Step 5: Keep Moving Forward

Start with a solid migration plan. Map out specifically how and when your migration will take place. Define the foundational elements first—what will set the stage for the rest of the migration. Once the foundation is determined, plan to move forward in phases. Migrating in phases reduces risk and will allow assessments and baselining before moving to subsequent phases.

And, finally, be sure to have solid change management practices in place. The more effectively changes are communicated and executed, the smoother the transition, and the greater likelihood of success.

> *"By integrating what used to be multiple applications (or none at all) into a single stack, we have reduced the IT burden of managing multiple systems and nearly eliminated the learning curve associated with IT personnel onboarding."*
>
> — IT Manager, Utilities Company

SOLARWINDS, A PLATFORM FOR ALL YOUR IT CONSOLIDATION NEEDS

Everything you need to monitor, manage, and secure your hybrid and multi-cloud IT environment, SolarWinds delivers—all at a price you can afford.

SolarWinds provides easy-to-use, full-stack visibility for hybrid IT infrastructures, delivered through a connected set of solutions. Start with one product and add what you need, when you need it—our products connect to build the IT operations management solution for today's needs and tomorrow's challenges.

At a time when organizations are seeking to do more with less, and to meet their needs without engaging additional vendors, SolarWinds is uniquely positioned to be a business-critical partner for your business.

ABOUT SOLARWINDS

SolarWinds (NYSE:SWI) is a leading provider of powerful and affordable IT infrastructure management software. Our products give organizations worldwide, regardless of type, size, or IT infrastructure complexity, the power to monitor and manage the performance of their IT environments, whether on-prem, in the cloud, or in hybrid models. We continuously engage with all types of technology professionals—IT operations professionals, DevOps professionals, and managed service providers (MSPs)—to understand the challenges they face maintaining high-performing and highly available IT infrastructures. The insights we gain from engaging with them, in places like our THWACK online community, allow us to build products that solve well-understood IT management challenges in ways that technology professionals want them solved. This focus on the user and commitment to excellence in end-to-end hybrid IT performance management has established SolarWinds as a worldwide leader in network management software and MSP solutions.

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