Cool Vendors
in IT Operations Management, 2010

New and innovative products help address some of the challenges that IT operations management (ITOM) staff face. However, organizations should always balance their excitement for new technology with due diligence to assess the stability and potential longevity of the vendor.

Key Findings

- Small vendors continue to break new ground in the ITOM market, due to their agility and ability to focus on specific challenges. In this market, small vendors typically innovate well in advance of the established large ITOM vendors.

- Innovation by the vendors referenced in this report has led to important new functionality for application performance monitoring (APM), virtualization monitoring, IT self-service, and IT activity management.

- Open-source investments in ITOM solutions have lagged behind the broader open-source market, but the monitoring products described in this report could pave the path for new interest in developing and delivering open-source ITOM solutions.

Recommendations

- The solutions described in this report are focused in nature. IT organizations should evaluate these vendors and their technologies to supplement existing toolsets.

- Most of the large vendors in the ITOM market use acquisition as a tool to obtain innovation. IT organizations should be aware that vendor success likely leads to acquisition.

- The focused nature of these solutions strongly suggests short-term return on investment (ROI) on these products. The need for short-term ROI is further reinforced by the stability and longevity challenges these vendors face.

ANALYSIS

This research does not constitute an exhaustive list of vendors in any given technology area, but rather is designed to highlight interesting, new and innovative vendors, products and services. Gartner disclaims all warranties, express or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

Gartner

1.0 What You Need to Know

In this Cool Vendors report, we provide insight into a range of tools that falls into the spectrum of ITOM. It is important to understand that new vendors present risks. Vendors could fail, or innovation could mean affordable acquisitions for larger vendors in the ITOM market. Prior to purchasing any product, conduct due diligence centered on a business case that includes vendor short-term stability and long-term viability.

2.0 AppDynamics

San Francisco, California, USA (www.appdynamics.com)

Analysis by Will Cappelli

Why Cool: User-defined transaction profiling, application component deep-dive monitoring and application component discovery and modeling are three distinct dimensions of APM. Using technologies supporting the first dimension, one can quickly determine the space/time coordinates of an application performance problem's source. Using the second dimension, one can look deeply into that source and diagnose the problem that is actually occurring. Most enterprises would like to see the first and second dimensions combined in a single integrated software platform that would support a seamless transition between the two. The amount of compute resources required generally prohibits or severely limits the possibility of operating in both dimensions simultaneously.

AppDynamics has found a way of minimizing the resource consumption issue. Its platform traces a user-defined transaction profile, continuously checking it against a previously learned "pattern of normal behavior." If a departure from normalcy is detected, the platform then trains a deep-dive monitoring capability at the system element where the abnormality first manifested itself. AppDynamics ventures into the second dimension only when it has precisely identified a performance problem, allowing the platform to keep resource consumption to a minimum. Moreover, AppDynamics' ability to seamlessly integrate the third dimension, application component discovery and modeling, allows one to see the business transaction flow in the context of the application infrastructure and interdependencies.

Challenges: The APM is crowded with many of the very largest ITOM vendors (e.g., IBM, CA and HP) having made APM a key element of their overall strategies. AppDynamics' solution, however innovative, will not easily displace incumbent vendors. Many of these vendors are working on solutions that will, at least superficially, resemble AppDynamics once they are brought to market.

Who Should Care: Application support teams, application developers, and operations management professionals charged with end-to-end service-level management responsibilities should all be interested in how AppDynamics can smoothly shift perspectives on a problem. The platform could act as a bridge between the latter two communities (i.e., application developers and operations management professionals), which have until now frequently found themselves working at cross-purposes because of incompatible monitoring technologies.

3.0 eG Innovations

Singapore (www.eginnovations.com)

Analysis by Debra Curtis

Why Cool: Founded in 2001, eG Innovations is a privately held software company headquartered in Singapore, with offices in the U.S., the U.K., Hong Kong and India. It provides proactive monitoring and diagnosis of IT infrastructure performance problems, including virtualized environments. Its eG Enterprise product first shipped in 2003, and has approximately 200 customers.

The eG Enterprise product can be used to monitor desktop and server environments powered by VMware and Citrix virtualization products. The vendor has a patent pending for the In-N-Out approach to monitoring, to account for the fact that virtual machines (VMs) running on the same physical machine may be impacted by each other, or by problems and resource constraints in the physical machines. The "outside view" of the performance of a VM focuses on the health of the virtual host and the percentage of the physical resources that each guest operating system consumes on the host. The "inside view" measures how effectively every VM uses the resources allocated to it. The product autodiscovers and updates application-to-VM mappings and VM-to-physical machine relationships in real time, and draws a logical topology map depicting this association. Its rules-free correlation engine relieves IT administrators of the responsibility of defining complex "if-then-else" rules. The eG Enterprise product automatically correlates the performance of the virtual applications, the virtual server and the VMs hosting the applications, reporting their current state and relative resource usage levels. For example, it can identify wayward VMs that are depleting the physical resources of the host server.

The vendor eG Innovations shows a thorough understanding of the complexities of performance thresholds. Thresholds are characterized by upper and lower limits, and multiple levels of thresholds can be set for varying alarm priorities, allowing IT administrators to be warned of issues early in the problem life cycle. The eG Enterprise product learns the normal behavior of the IT environment for a specified duration and automatically configures performance thresholds, easing setup time and reducing the requirement for thresholds to be manually defined. Static thresholds are nearly irrelevant in dynamically changing virtualized environments, and the product's relative thresholding greatly minimizes the incidence of false alerts.

Challenges: The eG Enterprise product currently auto-discovers the existence of applications on servers, VMs-to-physical-machine relationships, and application-to-VM relationships; however,

the interdependencies between applications that are part of a customer-facing business service are not autodiscovered. IT administrators have to manually configure the IT service topologies through a drag-and-drop Web interface.

Although eG Enterprise uses a scalable architecture, its scalability remains largely untested, with its largest enterprise deployment monitoring 2,500 servers.

Who Should Care: This product will appeal to IT operations managers and directors of IT infrastructure and operations with heavily virtualized environments looking to ease the manual threshold configuration and rules definition that are typically required in availability and performance monitoring tools.

4.0 ii2P

Southlake, Texas, USA (www.ii2p.com)

Analysis by David Coyle

Why Cool: Founded in 2007, ii2P has approximately 20 employees. At the beginning of 2010, ii2P had nine customers representing large internal and external IT service and support providers. The vendor offers tools and services to help drive adoption of IT self-service. IT service and support managers and service providers understand that driving end-user issues from the Level 1 IT service desk to Level 0 self-service will help drive down costs and increase end-user satisfaction. However, such managers and providers often lack the skill set and tools needed to drive end users to adopt IT self-service. Currently, while 40% of IT service and support requests can be resolved through self-service, only about 5% actually are.

A lot of vendors are satisfied selling tools for IT self-service such as password reset, knowledge repositories, and portals; however, these tools won't deliver any value unless end users use them. A best-of-breed vendor, ii2P is focused solely on helping IT organizations drive the adoption of IT self-service. It offers expert services to guide IT organizations toward realizing the benefits of IT self-service, an intuitive self-service portal that allows end users to use third-party tools to reset their own passwords and utilize an ii2P knowledge base to look up answers to their issues. The vendor also offers a smart card solution to help end users manage their own ever-growing list of passwords.

Challenges: To grow, ii2P must be able to convince potential customers that it has the expertise and tools that IT organizations don't already have. Most IT organizations have IT service desk tools and identity management tools that come with IT self-service functionality. Additionally, setting up a basic IT self-service portal and background processes is relatively easy. Best customer prospects for ii2P are IT organizations that have calculated the cost savings associated with moving to IT self-service and have realized that driving adoption is difficult.

Who Should Care: IT service and support managers who are struggling to advance IT self-service and realize the gains of lower costs and high end-user satisfaction should consider ii2P's range of offerings. Ensure that ii2P's services and product offerings pay for themselves in reduced service and support costs within a three-

year period.

5.0 WisageTech

Hong Kong (www.wisagetech.com)

Analysis by Bill Malik

Why Cool: Many products offer detailed project management, efficiently tracking well-defined development and production activities. WisageTech, founded in June 2004 and privately held, offers 8thManage, a lightweight, scalable, comprehensive tool for managing complex, high-level, knowledge-based activities. Wisage refers to this approach as "Enterprise Performance Management." IT leaders can see not only the detailed status of individual IT projects, but also a comprehensive roll-up of both "hard" and "soft" activities, visualizing aggregate resource commitments, personnel workload and machine utilization trends, potential resource constraints, and productivity metrics across large development and production environments, such as IT infrastructure and operations, as well as finance operations, business operations and sales.

Project management tools provide detailed status on a single project. The 8thManage product aggregates the totality of ongoing development and maintenance projects with the continuing "nonproject" processes, tasks, and activities that absorb two-thirds of the IT budget in most enterprises. It aggregates input from three domains: work activities and processes, organizational and reporting structures, and financial projections and metrics. Currently, organizations gather this information ad hoc, informally documenting meeting participants and notes, occasionally collecting financial data, and independently tracking project milestones. Managers sporadically learn of changes in organizational structure, budget assumptions or project status, but do not have an overview of how those changes impact the totality of projects in their domains. Giving the IT leadership team visibility into ongoing resource commitments helps management effectively control and direct resources toward the most high-value activities in the organization, tying activities to service levels, training budgets, hardware upgrades and facilities maintenance. This yields a comprehensive picture of recent, current, and likely future status of infrastructure and operations.

The core concept aggregates reporting from a variety of activities, including management planning, review, and control processes, such as meetings and executive communications. This enables all employees to understand the current mission, strategy, and technical implementation progress, milestones, resource commitments and challenges facing the enterprise. Applications include CRM for services, business intelligence across heterogeneous task domains, and coordination of collaborative work activities. Enterprises that have deployed the technology (including a very large Canadian bank, across a 500-person team in its IT organization) report that the tool supports business decision making with a clarity and simplicity that accelerates and improves the quality of ITOM. WisageTech has two patents pending.

Challenges: The core development team and executive leadership are based in China, making them somewhat inaccessible to Western businesses. While it has achieved success in East Asia, it needs to develop additional referenceable customers in Europe and North

America to unlock these major markets. The 8thManage product competes with NetSuite-OpenAir and more-complex suites of technologies from Oracle and SAP, but at a much lower price point.

Who Should Care: Organizations that want a comprehensive view of complex, knowledge-based activities should consider 8thManage. In Pattern-Based Strategy™ , 8thManage supports the disciplines of transparency and operational tempo (optempo).

6.0 Zenoss

Austin, Texas, USA (www.zenoss.com)

Analysis by David Williams

Why Cool: Founded in 2005, Zenoss is a privately held open-source IT management software company, employing 55 employees, with offices in Annapolis, Maryland, and Austin, Texas. It develops availability and performance management products.

Success of open-source products in the ITOM market has been sparse, with only a few products gaining market recognition and adoption. The adoption has been mainly by small or midsize businesses (SMBs), and in the government and education verticals more able and willing to customize and support open-source tools. Enterprises may have been tempted by open-source IT management products with the low cost and constant innovation, but this has been tainted by the challenges surrounding quality, scalability, reliability, ongoing development costs and support. Now, however, there is a new way to leverage the value of open-source without the downsides.

Zenoss Core and Zenoss Enterprise are open-source IT monitoring products that monitor the health, performance, and availability of networks, servers (physical and virtual) and applications, including cloud-based deployments. "Devices" (e.g., networks, servers, software and applications) monitored by Zenoss are kept in a real-time dependency model. The model provides logical and physical grouping, allowing devices to be mapped to business systems, locations and people. The model is populated and maintained by an autodiscovery process, supplemented by the Web services API, XML import/export, or manual user input. Device and software support and tools integration is accomplished with over 100 ZenPacks. Simple ZenPacks can be created with the Zenoss user interface, while more-complex ZenPacks require the development of scripts or daemons in Python or another programming language. There are three types of ZenPacks:

- Published ZenPacks (community-developed), available on the Zenoss website

- Core ZenPacks (Zenoss-developed), available on the Zenoss website

- Enterprise ZenPacks, available with the Enterprise version of Zenoss

There are two ways Zenoss products can be obtained. One is by downloading Zenoss Core, the free open-source version of the product or by purchasing the commercially licensed version, Zenoss Enterprise. Zenoss Enterprise comes with increased functionality (e.g., greater monitoring capabilities for servers and applications) integration with other ITOM products, higher scalability (up to 25,000 devices), role-based security and product support.

Zenoss Enterprise is offered with three pricing and service plans: silver, gold and platinum. Each plan requires a minimum number of managed resources (devices), starting at 250 for silver and increasing to 500 for platinum, with subscription costs based on the number of devices being managed and the plan chosen ($100 per resource for silver, $150 for gold and $180 for platinum). For customers with more than 1,000 managed resources, Zenoss offers volume discounts, site licenses and corporatewide licensing.

Zenoss is one of the first vendors to provide a commercial open-source IT management product, giving IT organizations a new way to leverage the value of open source without the associated risks. As such, we continue to see its adoption in large IT organizations where once only the largest IT operations tool vendors existed. Currently, the Zenoss commercial open-source business model has grown to be a community of 75,000 users, including 10,000 Zenoss Core deployments and more than 225 Zenoss Enterprise subscriptions. This new business model is no longer a secret, so expect to see more vendors adopting similar approaches.

Challenges:

- Open source is a "two-edged sword," with some IT organizations open to embracing it, while others are less willing. Zenoss must be able to position its hybrid approach in both camps, ensuring that the values being sought are highlighted accordingly.

- The value of commercial open source is not enough to differentiate and gain adoption, demanding that Zenoss continues to innovate and develop its products to meet some of today's more-challenging IT infrastructure environments.

- In the enterprise, IT management tools are rarely purchased in isolation, which means that Zenoss must continue to clearly demonstrate how its products augment, enhance and integrate with other IT operations tools (e.g., configuration management database and APM tools).

Who Should Care: IT operations executives looking for an alternative, more cost-effective way to monitor the health of their heterogeneous IT infrastructures and willing to embrace a different business model should consider ITOM products from commercial open-source vendors, including Zenoss.