

# Kelton

NewsWorthy Analysis

Capacity Management Survey for

 **TeamQuest**<sup>®</sup>

October 2012



# The Long Road to Maturity

New Survey Reveals That There's Room for Improvement in the Overall IT Efficiency of America's Corporations



It's no secret that IT is vital to the success of today's businesses, as it allows a company's workforce to seamlessly navigate their day-to-day duties. According to a new survey by TeamQuest, most organizations of 1,000+ employees are not nearly as mature as they could be, leaving plenty of room for improved efficiency. These companies typically tend to be more reactive in nature, allowing less than ten percent of their staff's time to be spent on proactive improvement efforts, like capacity planning and problem prevention. Instead, IT departments spend upwards of 20 hours each week dealing with unexpected IT issues like network slowdowns, equipment failures, technology upgrade requests, capacity issues and availability issues, all of which shift their focus away from planning. The survey shows, however, that with the proper planning, capacity management and virtual machine management can and will have a positive impact across all IT areas, especially efficiency.

# Reactive Efforts Take Time

Unexpected IT issues monopolize staff hours, leaving little room for proactive planning.



**On average, 20 hours each week is spent addressing unexpected IT issues**

1

**Putting Out the Fires.** On average, IT managers say their department deals with **20 unexpected issues** each week. That's about four items that need to be addressed each day between Monday and Friday – on top of the other work these professionals need to be managing.

**How Many Professionals Does it Take?** What's more is that each of these issues takes, on average, **one hour** to resolve, along with **five staff members** to help do it. That means that 20 hours each week is spent fire-fighting, rather than forecasting.

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**No Time for Planning.** Perhaps this is why just **eight percent** of their staff's total time is allotted to proactive improvement efforts, like capacity planning, problem prevention, application tuning, server tuning, or data management.

**Scrambling for Solutions.** Instead, more time is spent on day-to-day issues that require immediate attention. In fact, **30 percent** of IT time is devoted to responding to issues like application quality problems, data center problems, performance problems and service outages and another **25 percent** of time is tied up in the management of budgets, vendors, and changes, enhancements, and releases.

4

**Less Than Stellar Performances.** Many of the issues that IT departments deal with are related to performance. Close to half of IT managers say that **network slowdowns or outages** are a weekly occurrence (46%), along with **applications that are performing poorly**, such as scalability issues, known problems or unexpected usage that impacts capacity (43%).

**Busy Schedules.** Other common issues that IT departments face at least once a week include **unanticipated change requests** (42%), **change quality issues** (37%), and **availability issues** (36%).

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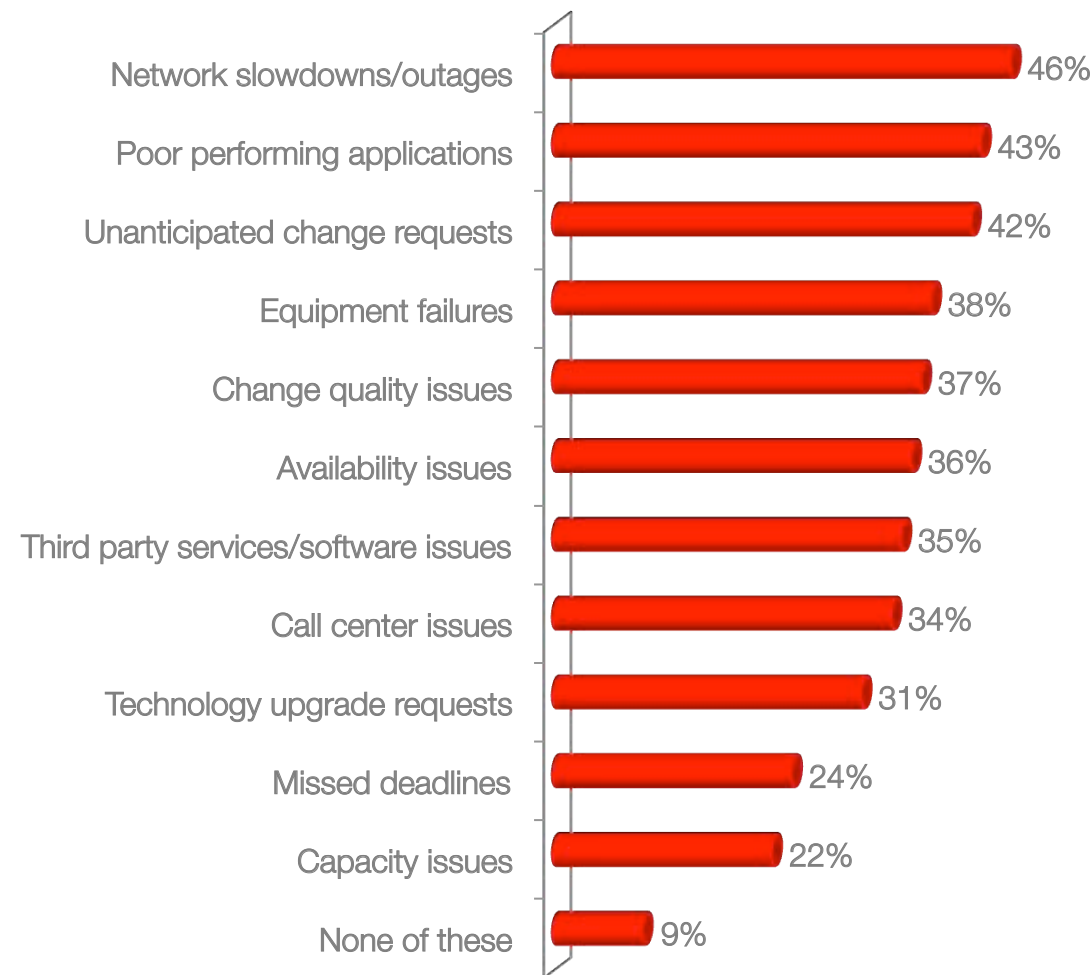
**Supplying the Workforce.** IT managers report that their department also deals with **technology issues at least once a week**. Managing equipment failures, such as with the server or the network (38%) or fielding requests to update technology for employees, such as configuring a mobile device (31%), are weekly occurrences at their companies.

**Major Interruption.** Perhaps one of the biggest issues IT managers are likely to face is a **cloud outage – an event that close to four in ten (38%)** of them have experienced.

**An Internal Disruption.** What's more is that **39 percent** of these outages occurred on a company cloud, and could possibly have been prevented, if the resources were available.

6

Common issues IT departments deal with at least once a week



# Room for Improvement

With so many unexpected issues to deal with on a regular basis, IT managers are attuned to ways their department can be more efficient.

2

**The Quality of the Team.** Many IT managers who see room for improvement think that focusing on their staff will generate greater efficiency. More than three in five (61%) believe additional employee training can be a solution, while 47 percent would love for their department to get bigger.

**Managing Evolution.** Another way that more than half (54%) of IT managers believe efficiency can increase is by improving capacity management to ensure that both current and future needs are met.

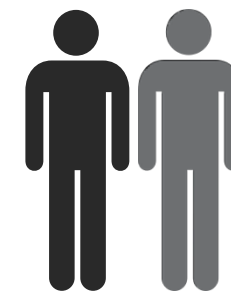
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**Seeking Improvement.** An overwhelming majority (90%) of IT managers don't believe their department is performing at optimal efficiency and think it can be improved in a variety of ways.

**Adding and Consolidating.** Close to seven in ten (67%) of these improvement-seekers think that adding or improving diagnosis and trending tools can boost efficiency. Some believe that improving the company's reactive processes, such as problem management (57%) or consolidating servers to reduce infrastructure administration workload (57%) can allow the quality of IT services to be maintained while minimizing costs in the process.

3

**One in Two IT Managers Think Improving Capacity Management Can Increase Efficiency\***



7%

\*Among IT Managers Who Think Efficiency Can be Increased in Some Way

# Benefits in Abundance

IT managers recognize that capacity management is key to a successful data center and increased efficiency.

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**Benefits Galore.** Not surprisingly, then, many managers who use capacity management can pinpoint a number of advantages their organization has obtained from it. Close to seven in ten (68%) of them say that it has improved IT efficiency.

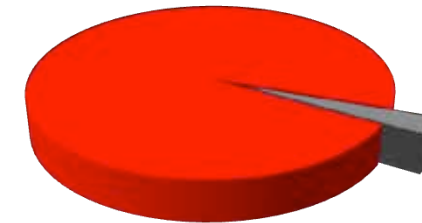
**Running Smoothly.** Perhaps this efficiency explains some of the other benefits they've seen due to capacity management, such as fewer IT outages (59%), less resources spent on unexpected issues (47%), better productivity (45%), and more time between failures (39%).

1

**Make it or Break It.** Nearly all (97%) IT managers admit that the very success of a data center is reliant on proper capacity management.

How reliant on proper capacity management is the success of a data center?

Reliant  
net  
97%



Not reliant  
net  
3%

3

**Forecasting Success.** While most (89%) IT managers recognize that without the proper planning, capacity management is risky, the benefits of such forecasting could significantly improve many facets of the IT process.

**A Well-Oiled Machine.** In fact, close to nine in ten (87%) managers would see an improvement in IT efficiency with proper capacity management. If this was the case, they believe that efficiency would increase by 24 percent and 77 percent think their overall IT risk would shrink.

**Positive Impact.** IT managers also believe that proper capacity management would improve business productivity (88%), consolidation and virtualization projects (87%), agility (84%), cost savings (84%), workforce productivity (80%), and cloud implementation (65%).

# Virtually Seamless?

Proper virtual machine management is another way that IT managers believe they can increase efficiency and cut back on risk.

1

**Plenty of Hurdles.** Four in five (80%) IT managers who use virtual machines can name at least one struggle their organizations have faced in the management of these machines, such as understanding what configurations will yield the best possible performance (62%), resolving performance problems easily (52%), and comparing the cost effectiveness of different solutions (49%).

**Taking Stock.** Others say their organization has struggled with assessing the performance and workload of virtualization applications (45%), evaluating the server sizes that are needed to support virtual containers (44%), and management believing the hype from virtualization vendors (37%).

2

**Problem Maker.** Given these struggles, it's no wonder that an overwhelming majority (93%) of IT managers think that virtual machine management is risky without the proper planning, but they know about the potential benefits.

**An Internal Disruption.** Currently, more than three in five (61%) IT managers say their organization lacks proper virtual machine management. And that if they did have this in place, IT efficiency would increase by 25 percent. More than three-quarters (76%) also believe that the company's overall IT risk would shrink.

Virtual machine management is risky without planning.

Agree  
net  
93%



Disagree  
net  
7%

# Not Yet Coming of Age

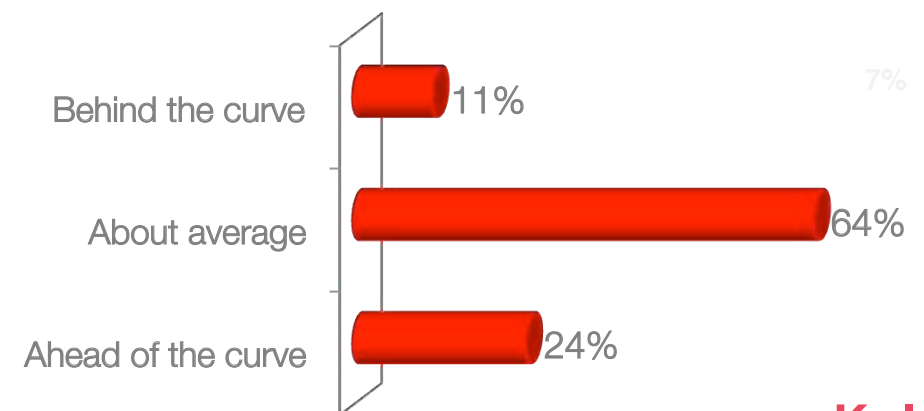
With so little time spent on planning, most companies rank low on the capacity management maturity model.

**1** **Immaturity Prevails.** Only **11 percent** of IT managers think their organization's current capacity management processes can be considered "most mature," or at a level where the IT department can measure and report on IT in business terms.

**Somewhere in Between.** Far more (**64%**) say that their organization falls in the middle to low-end of the maturity scale. They report that their companies typically learn of performance problems after users call to complain, have a fragmented view of what's going on in their environment, and, at best, rely on trending for early warnings about future incidents.

**2** **IT Laggards.** Not surprisingly, more than three-quarters (**76%**) of IT managers admit that in regards to capacity management, their organization is – at best – only average.

When it comes to capacity management, my organization is...





3

**Putting it to the Test.** According to TeamQuest’s Capacity Management Maturity Model, **three in five (60%)** IT managers work at organizations that rank low (0-1) on the assessment. Less than a third (**31%**) are operating at the most mature (4) level.

**Chaotic Environments.** This lack of maturity isn’t surprising given that a majority (**82%**) admit there are times when their department does not discover and recognize performance problems before users call in to complain. Close to half say that in the event of incidents, they often **lack needed information** about the activities that led up to it (**49%**) or frequently find that it is **unclear what tools and processes to use to solve the problems (47%)**.

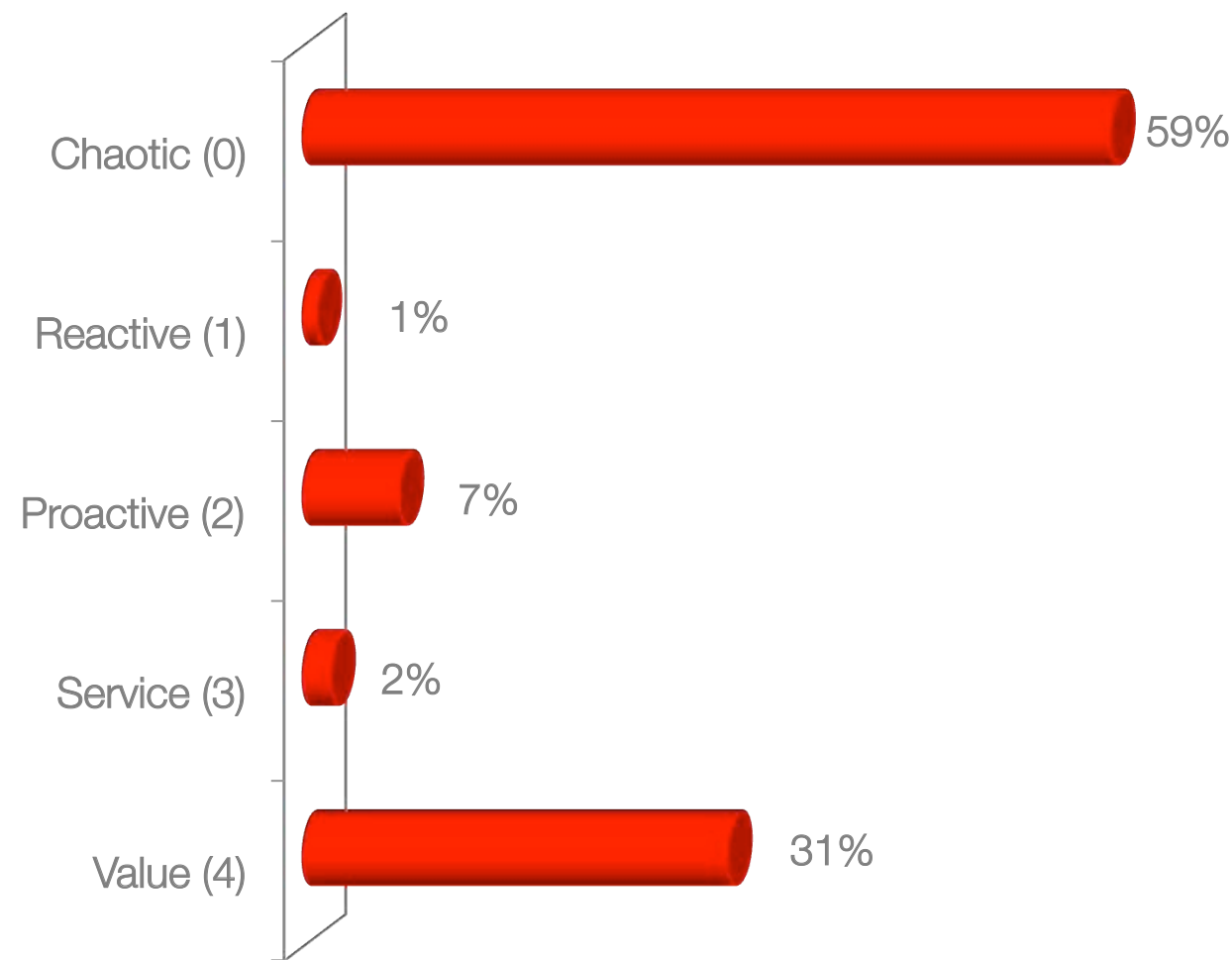
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**Reactive Workflow.** Much of what happens in the IT department can also be considered reactive. For instance, close to **four in ten (36%)** admit that not every incident is managed in conformance with the procedure documented. **Twenty-seven percent** say that critical servers don’t have adequate tools in place to monitor for performance and raise exception alarms.

**Still a Long Way to Go.** Not surprisingly, **37 percent** admit they lack a **comprehensive view of the services** because they don’t have a capacity tool set that is standardized across their environment. About the same amount have yet to implement procedures for measuring usage of shared resources (**38%**), nor do they have regular reports that show how IT is supporting business goals (**36%**) or an established a process for getting predictions of future demand from business units (**31%**).

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According to TeamQuest’s Capacity Management Maturity Model, IT managers are working at organizations that are...



# More Mature Organizations Excel

Based on the TeamQuest Capacity Management Maturity Model, it's clear that more mature organizations are ahead of the curve.

2

**Problems with the Cloud.** What's more, organizations operating on a proactive, service, or value level have also experienced fewer cloud outages than less mature organizations (32% vs. 43%).

**Always a Place for Improvement.** Not surprisingly, more IT managers from organizations that are chaotic or reactive than those from the more mature organizations (95% vs. 82%) don't believe their department is performing at optimal efficiency and think there's at least one area that can be improved.

1

**Fanning the Fires.** Organizations that fall into the proactive, service, or value categories deal with half as many unexpected IT issues each week than those in the chaotic or reactive levels (12 issues vs. 25 issues).

**On the Clock.** Similarly, the more mature organizations spend less time (47 minutes vs. 68 minutes) and require the time of fewer staff members (4 vs. 6) to address these issues than those in the chaotic or reactive categories.

**Eating up Their Time.** This means that organizations that are chaotic or reactive spend three times as much time each week putting out fires than their more mature counterparts (28 hours vs. 9 hours).

3

**Virtually Impossible.** One area of focus could be their virtual machine management. A whopping 91 percent of IT managers at chaotic or reactive organizations can name at least one struggle the business has faced in the management of such machines. In sharp contrast, less than two-thirds (62%) of managers at more mature organizations say the same.

**Making Improvements.** Perhaps this is why more than four in five (81%) IT managers working at chaotic or reactive organizations think that if they had proper virtual machine management their overall IT risk would decrease and on average, their IT efficiency would increase by 27 percent. Fewer (68%) managers at more mature organizations think risk would decrease; these more mature managers also believe that efficiency would increase by just 19 percent.

**Margin of Error** = 6.7 Percent  
**Sample** = 214 IT Managers+ At Companies With 1,000+ Employees

**About The Survey** The TeamQuest Capacity Management Survey was conducted between September 24<sup>th</sup> and October 5<sup>th</sup> among 214 IT managers or higher at companies with 1,000+ employees, using an email invitation and an online survey.

Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results.

In this particular study, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 6.7 percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample. The margin of error for any subgroups will be slightly higher.

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