



# Application Performance Management & Monitoring

## A Playbook for MSPs

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An abstract graphic on the left side of the page, featuring a series of overlapping, wavy, teal-colored lines that create a sense of motion and depth against a black background.

## Abstract

As enterprises modernize their core computing platforms to drive the next wave of business innovation, agility has become a non-negotiable requirement, placing greater pressure on IT to deliver high-quality services that support rapid transformation and sustained growth. This demand is especially critical for Managed Service Providers (MSPs), who are responsible for ensuring performance and reliability across multiple customer environments, each with its own set of complexities, service-level expectations, and hybrid or cloud-native infrastructure.

Business stakeholders now expect IT investments to yield more than just uptime—they must drive cost savings, operational agility, and competitive advantage. To meet those expectations, MSPs must go beyond traditional monitoring, adopt advanced Application Performance Management (APM) platforms, and implement solutions capable of continuously delivering real-time insights into application health, even across distributed systems and high-velocity data streams.

An effective APM strategy empowers MSPs to correlate performance across infrastructure, business processes, and application layers, while also leveraging intelligent automation features like self-healing and service orchestration. In a managed services model, having a single, unified platform that can monitor, manage, automate, and orchestrate applications, services, and infrastructure is a competitive differentiator.

This whitepaper provides MSPs with practical guidance for building or enhancing their APM strategy, highlighting key features modern APM platforms must include, along with best practices for maximizing both operational efficiency and business value.



# The MSP landscape is changing

The global managed services market is projected to reach USD 731.08 billion by 2030, expanding at a compound annual growth rate (CAGR) of 14.1% from 2025 to 2030. [\[1\]](#) While this surge reflects increasing demand for outsourced IT expertise and always-on services, it also signals intensifying competition, making it increasingly difficult for MSPs to differentiate and retain long-term customer trust.

With more providers entering the market, differentiation is no longer about just delivering basic monitoring or infrastructure management—it's about providing real-time insights, faster resolution times, and continuous performance optimization across complex, hybrid, and cloud-native environments.

Enterprise customers today are more demanding than ever. As they invest in digital transformation and mission-critical platforms like SAP and other cloud-native applications, their expectations for uptime, agility, and user experience have intensified. Even small delays or performance issues can result in operational disruptions, SLA violations, and lost business. This has raised the bar for what's considered acceptable performance and placed more pressure on MSPs to deliver measurable, consistent service quality.

At the same time, the role of MSPs is expanding from reactive, break-fix models to proactive, strategic partnerships. Customers expect their service providers not just to keep systems running, but to improve reliability, reduce incident volumes, and contribute to business resilience and innovation. Meeting these expectations requires deeper visibility, intelligent automation, and the ability to scale performance insights across multiple customer environments.

## Why APM is becoming a critical asset for MSPs

In a market where growth is accelerating and competition is fierce, APM has emerged as a critical enabler. MSPs that adopt modern APM platforms are better positioned to meet rising customer demands, differentiate their offerings, and remain competitive in a fast-moving industry.

The health of business-critical applications is directly tied to customer satisfaction and service-level agreement (SLA) adherence. For MSPs, ensuring optimal application performance is a front-line responsibility with clear business implications. Every second of latency or minute of downtime can have cascading effects: disrupted user experiences, missed SLAs, increased support tickets, and ultimately, customer churn. Poor application performance erodes trust, inflates operational costs, and damages the long-term viability of managed service contracts.

Modern APM platforms provide continuous visibility into application health across infrastructure, services, and business processes. By proactively detecting anomalies, tracing transactions, and pinpointing performance bottlenecks in real time, APM enables MSPs to resolve issues before they impact end users—significantly reducing mean time to resolution (MTTR) and protecting SLA commitments.

Beyond reactive troubleshooting, APM empowers MSPs to operate more strategically. With detailed telemetry and performance analytics, providers can offer more than just technical support—they can deliver proactive recommendations, capacity planning, and optimization insights that demonstrate measurable value to customers.

[1] Grand View Research. "Managed Services Market Size, Share & Trends Analysis Report By Solution, Managed Information Service (MIS)".

<https://www.grandviewresearch.com/industry-analysis/managed-services-market>

# Key features to look for in an APM solution

For MSPs, delivering high-performing, reliable services across diverse customer environments requires more than basic monitoring. It demands a comprehensive APM solution—one that goes beyond visibility to include automation, correlation, and actionable intelligence across the entire technology stack.

Below are the key features to look when selecting an APM solution that supports the evolving needs of modern MSPs:



## Availability & Performance Monitoring

Continuously track the availability and responsiveness of applications, services, and infrastructure. This ensures quick identification of performance degradation and helps maintain SLA compliance across all customer environments.



## Infrastructure & Cloud Monitoring

Gain seamless visibility across on-premise systems, cloud providers (AWS, Azure, GCP), and containerized workloads. Quickly diagnose and resolve issues, no matter where they originate.



## Alerts Management & Event Correlation

Utilize advanced alert management mechanism that prioritize incidents based on severity and business impact. Reduce noise and focus on critical issues through intelligent event correlation.



## Dependency Mapping & Service Correlation

Gain a visual, real-time view of interconnected components to trace performance issues across multiple layers and prevent downstream disruptions.



### End-User Experience Monitoring

Capture real-time data on responsiveness, errors, latency, and load times from the user's perspective. Proactively address experience-impacting bottlenecks and ensure consistent performance.



### Process Automation & Self-Healing

Reduce manual intervention with auto-remediation workflows and policy-based responses. Self-healing systems lower incident response times and support costs.



### Synthetic Transaction Management

Proactively prevent user-impacting issues by simulating user interactions and continuously testing critical application paths. Detect latency or failure points before real users are affected.



### Workload & Transaction Analysis

Evaluate workloads, transactions, and user sessions across time, location, infrastructure, and application tiers. Identify patterns, anomalies, and optimization opportunities.



### Reporting & Analytics

Access transparent, insightful reporting capabilities that summarize key metrics, SLA performance, root cause analyses, and historical trends. Support proactive decision-making.



### Highly Customizable Dashboards

Offer role-based, customizable dashboards that present relevant KPIs for administrators, NOC teams, and individual customers, fostering collaboration and accountability.



### Multi-tenant Capabilities

Monitor and manage multiple customer environments from a centralized interface with data isolation and security. Onboard new customers faster and streamline operations.



### Broad Integrations

Seamlessly fit into your existing ecosystem of IT tools, platforms, and workflows. Automate workflows, correlate data, and reduce time to resolution across your entire service stack.

# IT-Conductor as an Application Performance Management Solution for Complex Enterprise IT & SAP Environments

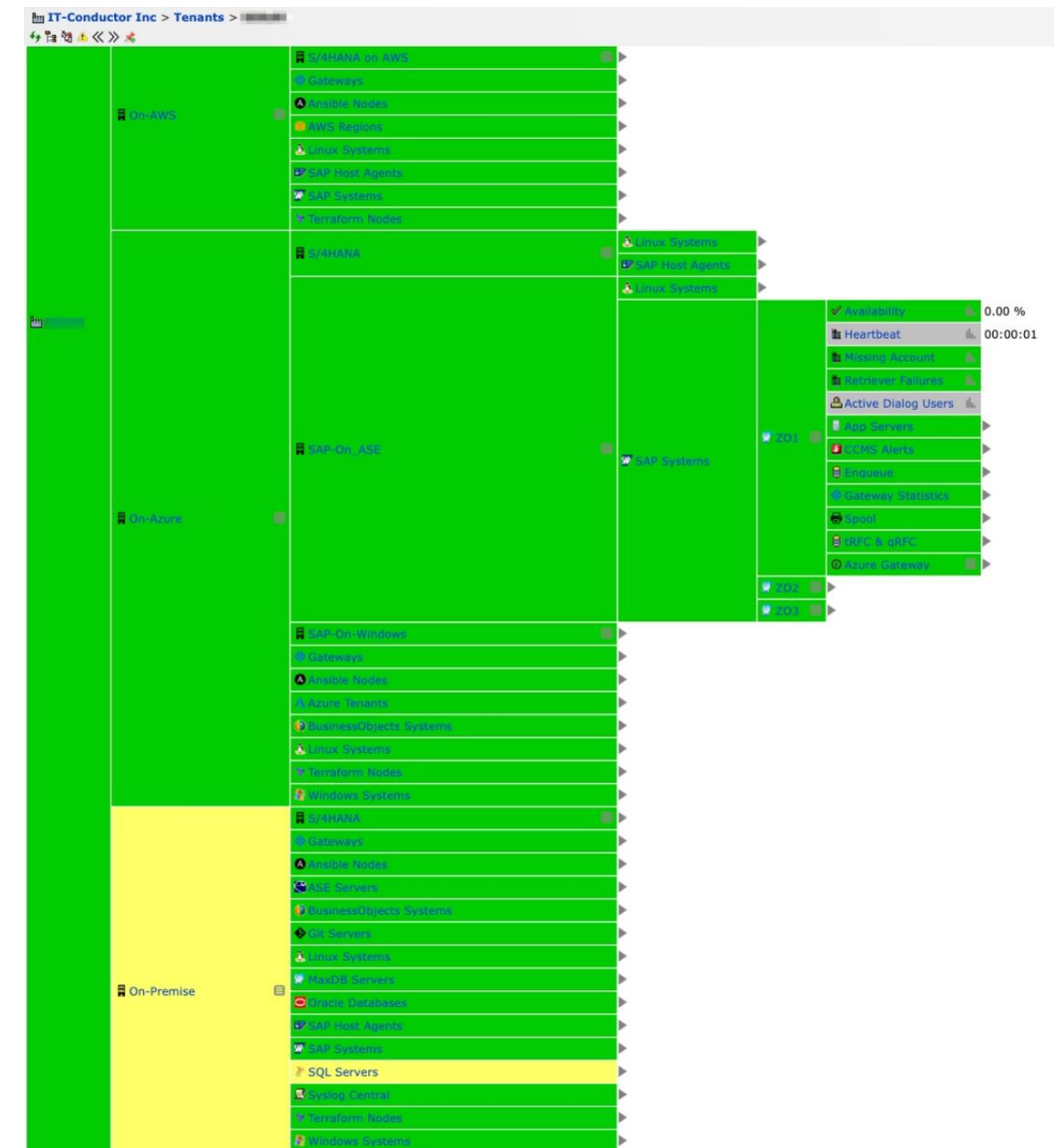
## 360-degree view of Application Environment

Modern business applications function as part of a larger ecosystem delivering critical business processes. For MSPs, maintaining service quality requires visibility across every layer. Rather than monitoring applications, infrastructure, and processes in silos, IT-Conductor delivers APM from an application-centric approach, providing a unified, top-down view of all components, from services to infrastructure, whether on-premises or in the cloud.

## Availability and Performance Monitoring

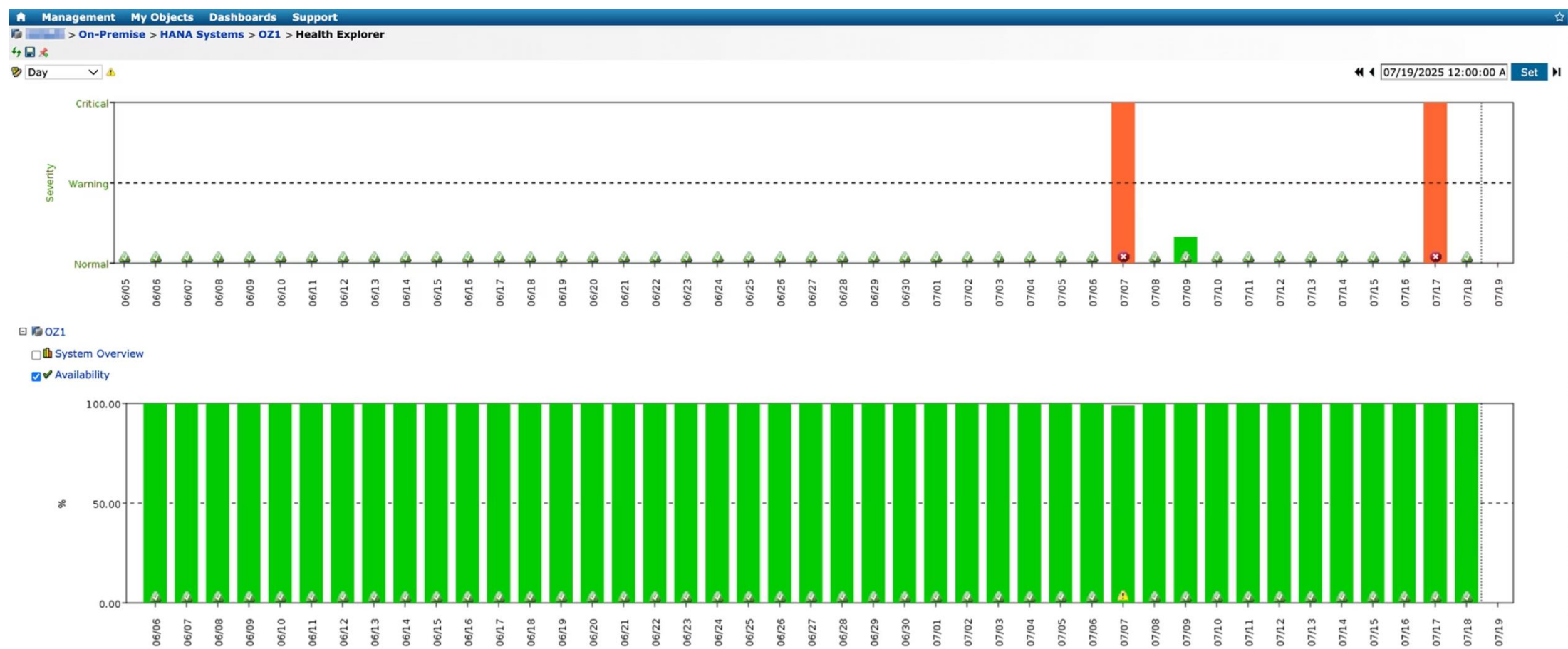
At the core of APM is the ability to ensure that business-critical applications and services remain available, responsive, and reliable at all times. For MSPs managing complex, multi-tenant environments, this means moving beyond basic uptime and downtime checks to deliver comprehensive visibility into every layer of the service stack (i.e., applications, databases, infrastructure, and integrations).

Effective APM combines availability probes, intelligent event management, and performance metrics to proactively monitor system health and performance.



# Root Cause Analysis (RCA) & Time-synchronized Troubleshooting Context

Availability checks, event alerts, and performance metrics generate massive amounts of data every second. Without context, this data is nothing more than noise. IT-Conductor enhances RCA by mapping data to application services and aligning them in a time-synchronized view. This allows MSPs to visually correlate events across different layers, making it easier to spot patterns, identify root causes, and resolve issues quickly.

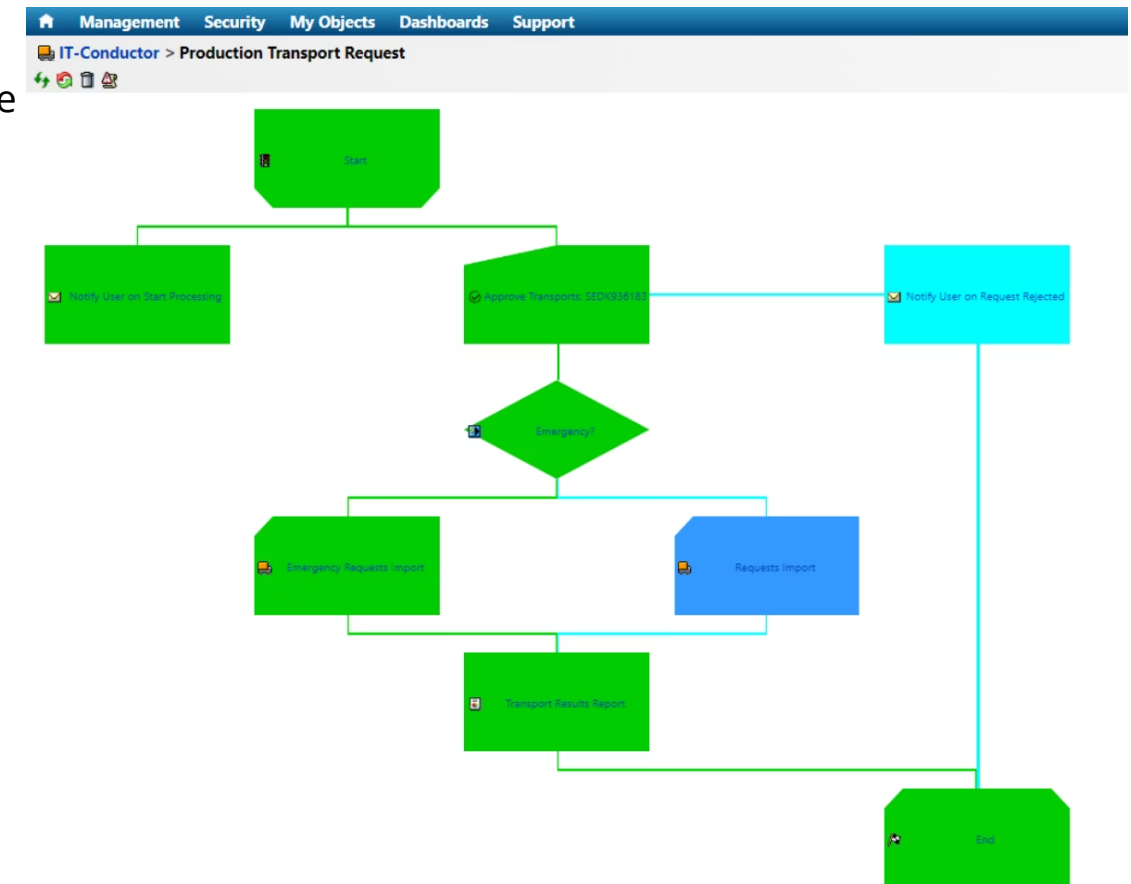


## Intelligent Automation & Workflow Orchestration

Managing multiple customer environments demands automation that can be reused and adapted across diverse technology stacks. IT-Conductor enables MSPs to centralize routine administrative tasks, such as script execution, batch job scheduling, and log monitoring, into repeatable, policy-driven workflows.

Monitored thresholds can also be used to trigger self-healing recovery actions as a proactive approach to minimizing downtime, shorten MTTR, and ensure SLA compliance.

Every automated task and corrective action is logged for full auditability, supporting governance and transparency. By combining intelligent automation with self-healing capabilities, IT-Conductor transforms reactive troubleshooting into predictable, proactive service delivery, giving MSPs a significant competitive edge.

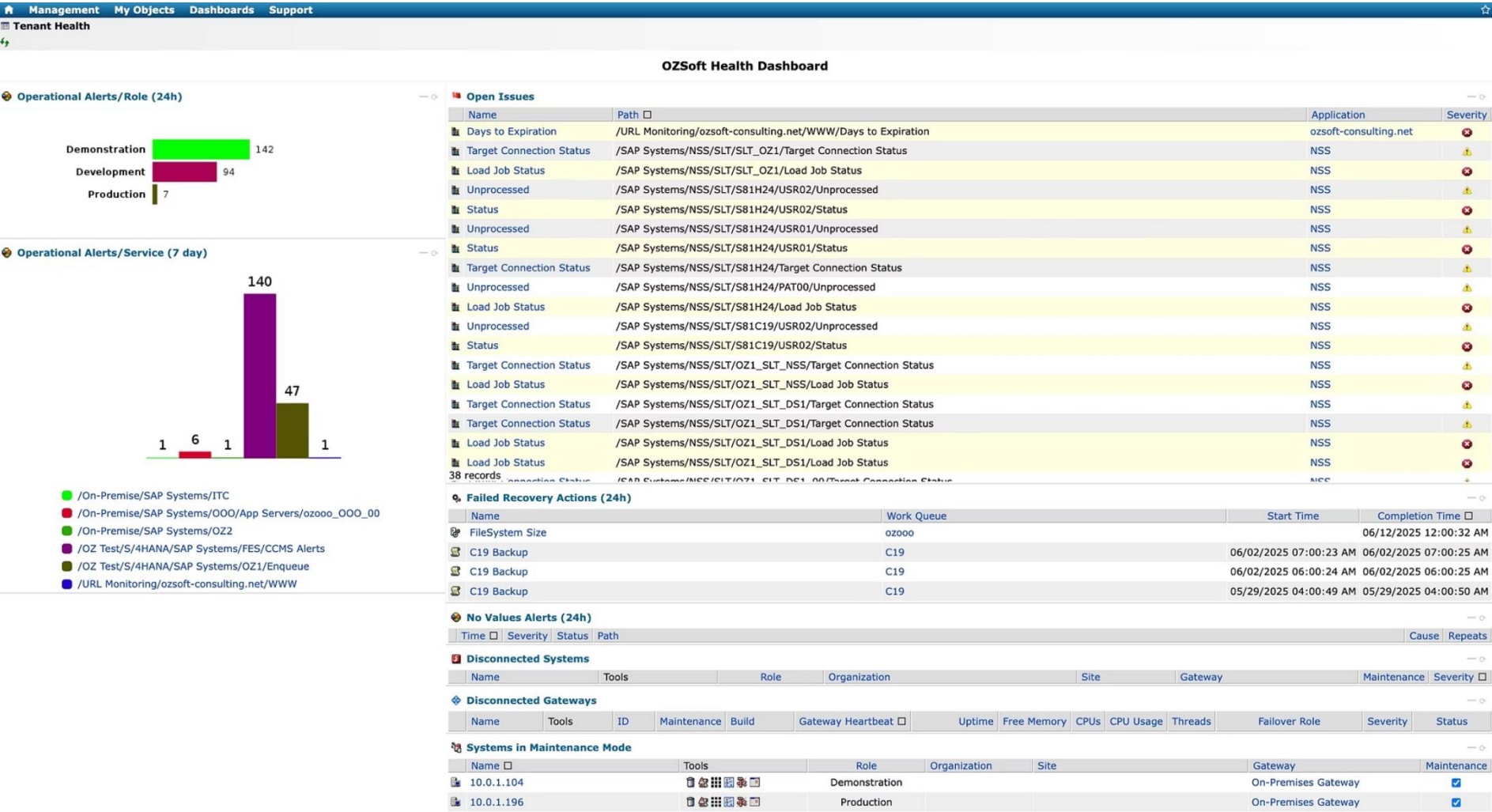


## Synthetic Transaction Management

Simulations of user interactions from multiple entry points provide continuous insight into service health and responsiveness. Combined with trend analysis and load testing, this capability enables MSPs to prevent disruptions and optimize the customer experience.

# Reporting, Analytics & Highly Customizable Dashboards

Comprehensive reporting and analytics give MSPs complete visibility into performance metrics, SLA compliance, and historical trends. Combined with highly customizable, role-based dashboards, these tools deliver real-time KPIs that enhance transparency, collaboration, and accountability. The outcome: data-driven decisions, proactive service optimization, and deeper client trust.



Visit [IT-Conductor Knowledge Base](#) for detailed guides, use case scenarios, and best practices to help you maximize the value of these features and more.

You can also visit our [website](#) to learn more about IT-Conductor.

# The business impact of APM

For MSPs, APM is more than a technical necessity—it's a business enabler. When implemented effectively, APM drives meaningful outcomes across service quality, operational efficiency, customer retention, and long-term profitability.



## **Faster resolution, less downtime**

APM provides real-time visibility, reducing mean time to resolution (MTTR) and minimizing unplanned downtime. This protects customer operations and reduces support strain.



## **Elevate service quality and customer satisfaction**

APM ensures consistent and reliable performance for mission-critical applications, leading to stronger customer trust, fewer escalations, and improved customer satisfaction.



## **Reducing operational costs and complexity**

Intelligent alerting, root cause correlation, and automation reduce manual effort and lower operational costs. APM simplifies reporting, auditing, and compliance as the business scales.



## **Opportunity for new revenue streams**

Package APM services into new offerings like monthly reporting add-ons and optimization consulting to deepen customer engagement.



## **Enable scalable, proactive service delivery**

APM empowers MSPs to shift toward proactive service delivery, anticipating problems and continuously improving application behavior, positioning them as strategic partners.



## **Strengthen competitive differentiation**

Providing APM-backed insights, automation, and visibility becomes a strong selling point, demonstrating that your team manages performance with intelligence and accountability.

# Integrating APM into your MSP service stack

For MSPs, APM serves as a strategic capability that can elevate your service portfolio, improve operational efficiency, and deliver measurable value to customers. However, realizing those benefits depends on how well APM is integrated into your existing service stack, workflows, and customer-facing offerings.

## Aligning APM with ITSM and NOC workflows

To be effective, APM must plug seamlessly into your current IT service management (ITSM) and network operations center (NOC) processes. This means integrating APM with incident, problem, and change management systems so that performance issues detected by APM can automatically generate tickets, escalate alerts, or trigger remediation workflows. By aligning APM events with ITIL-based processes, MSPs can shorten response times, reduce manual effort, and improve SLA compliance. In the NOC, APM insights can also help shift operations from reactive firefighting to proactive performance assurance.

## Monitoring business-critical applications

Modern enterprises run on complex, performance-sensitive applications like SAP, Oracle, and Microsoft workloads. These systems often span hybrid infrastructures and involve numerous dependencies. Integrating APM into your MSP stack allows you to monitor these applications holistically—tracking transaction flows, user interactions, and backend service performance across all layers. This ensures that issues are identified before they affect users and business operations. Moreover, domain-specific monitoring capabilities for platforms like SAP are essential for MSPs servicing enterprise customers with mission-critical systems.

## Multi-tenant architecture considerations

MSPs need to serve multiple customers with varying infrastructure setups, compliance needs, and reporting preferences—all while maintaining strict data segregation. APM platforms designed with multi-tenant architecture allow MSPs to manage performance insights across tenants from a single console, without compromising security or customizability. This architecture also enables role-based access controls, tenant-specific dashboards, and isolated alerting/reporting, helping you scale efficiently while still providing personalized service.

# Strategic choices: Build, buy, or partner for APM?

As MSPs mature their service offerings, one key decision is how to deliver APM: build it in-house, buy a commercial platform, or partner with a specialized provider. Each approach has trade-offs in terms of time, control, cost, and scalability.

## Build

### Pros

- Full control over customization, data handling, and integration
- Tailored specifically to your customer's needs and internal workflows

### Cons

- High development and maintenance costs
- Slower time to value; resource-intensive to scale
- Requires dedicated expertise in performance monitoring and DevOps

## Buy

### Pros

- Faster deployment with ready-made features and support
- Proven scalability and security
- Regular feature updates and vendor-driven innovation

### Cons

- Less customization (depending on the vendor)
- Licensing costs can increase with scale
- May require process adjustments to fit platform workflows

## Partner

### Pros

- Access to mature APM capabilities without building from scratch
- Frees up internal resources to focus on core services
- Can enhance offerings through white-label or co-branded solutions

### Cons

- Shared ownership of customer relationships (if co-delivered)
- Depends on partner reliability and SLAs
- Potential integration or branding limitations

# Best Practices for MSPs Implementing APM

## Start with high-impact, SLA-bound services

Target critical systems and services tied to strict SLAs to demonstrate quick wins and build internal momentum.

## Standardize dashboards and reports for customers

Deliver a professional, transparent customer experience with consistent, role-based dashboards and performance reports.

## Leverage automation to reduce MTTR and ticket volume

Integrate auto-remediation and automated anomaly detection to free up technical teams for strategic tasks.

## Train teams to shift from reactive to proactive

Equip teams to use APM for performance baselining, early warning detection, and optimization planning.

## Include APM KPIs in customer QBRs

Use APM data to highlight service stability, demonstrate SLA adherence, and recommend performance improvements in business reviews.

**As customer expectations continue to rise and the managed services market grows increasingly competitive, MSPs must differentiate through value, not volume.**

Linh Nguyen, Co-founder & CEO of IT-Conductor

A well-integrated APM solution empowers providers to proactively manage complex environments, meet strict SLAs, and deliver transparency and intelligence that customers can see and appreciate. When combined with automation, multi-tenant visibility, and business-aligned reporting, APM positions your MSP as a proactive, forward-looking partner in your customer's success.

The MSPs that invest in APM today are building the foundation for long-term differentiation, operational excellence, and sustained growth.

# Become an MSP Partner

Join a growing network of MSPs leveraging advanced APM solutions to drive service excellence and business growth. As a partner, you'll gain the tools, support, and insights needed to expand your capabilities, improve customer satisfaction, and unlock new revenue streams.

Take our [MSP Partner Survey](#) to get started and we'll see how our platform fits your MSP strategy.

## Corporate Website

<https://www.itconductor.com/>

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