Category	KPI Name	Purpose	Calculation	Dimensions	PRO-TIPS
Availability	**Tool Availability Uptime**	Observability tools need to be accessible in order to provide value to the organization. Without consistent uptime, the tools cannot deliver the insights needed to support operations.	(Total_minutes_uptime_over_reporting_period / Total_minutes_over_reporting_period) * 100	Tool/Capability name	Account for Planned Downtime Leverage Synthetic Checks Start with Most critical (golden) tools Avoid Over complication Early on KISS approach
Adoption	**Observability Support in Major Incident Management (MiM)**	This KPI measures how effectively observability tools support teams during major incidents by classifying incidents into categories: Early Warnings: Observability tools provided early warning indicators Symptoms Fired: Observability tools detected a reactionary issue (e.g. synthetic check failed). No Indication: Observability tools did not detect or indicate the issue The goal is to improve the visibility and predictive capabilities of observability systems, ensuring they support teams more effectively in mitigating future incidents.	For a given reporting period: Total number of MiMs. Percentage of each classification: Early Warnings: (MiMs with early warnings / Total MiMs) × 100 Symptoms Fired: (MiMs with symptoms fired / Total MiMs) × 100 No Indication: (MiMs with no indication / Total MiMs) × 100	Tool/Capability name Incident Priority Observability indicator Type	Create a Decision tree for consistent classification (if this then that) Leverage Post-Mortem and Root Cause Analysis data Leverage count (single value) & pie chart for current reporting period reporting Prioritize reduction of "No Indication" Incidents
Utilization	**Observability Saturation**	This KPI measures the percentage of resources or services that are actively monitored versus the total resources or services that should be monitored. It helps identify gaps in observability coverage across tools, capabilities (APM, Infra, DEM, Business Monitoring), environments, and business units. The goal is to ensure comprehensive observability where it matters most, leveraging reliable sources of truth for accurate tracking.	(Monitored resources / Total resources) × 100	Tool/Capability name Resource type Environment (prod, NP) Resource Tier (0,1,2)	Identify reliable Source of truth Go beyond traditional CMDB (Security/Config/Observability tools, Hypervisor/cloud providers) Prioritize saturation related to mission critical infrastructure & application(s)
Utilization Adoption	**Observability Tool/Capability Capacity Utilization**	This KPI measures how effectively your organization is leveraging its observability tool capacity, ensuring the balance between underutilization (unused capacity) and overutilization (nearing or exceeding capacity limits). The goal is to optimize resource use, avoid unnecessary constraints, and identify areas where adjustments may be required to improve efficiency or scale operations.	For licensed capacity: (Licensed resources in use / Total licensed resources) × 100 For infrastructure-constrained capacity: (Used capacity / Maximum supported capacity) × 100	Tool/Capability name License type Managing team	Track Both General and Niche Tools: Niche tools (e.g., specialized APM solutions) should aim for near-full utilization (90–100%) due to their cost and specialized purpose. Plan for Headroom to support growth Act on Both Ends of Utilization (Under|Over utilization)
Optimization	**Tool Version Compliance**	This KPI measures whether each observability tool and its associated components (e.g., agents, collectors) are running on the desired or required version. Staying up to date reduces the risk of security vulnerabilities, ensures access to the latest features, and prevents operational disruptions caused by unsupported software versions. Additionally, this metric provides insight into both backend compliance (e.g., SaaS-hosted services) and agent/collector compliance, ensuring full alignment across the observability stack.	For Self-Hosted or Tools Backend: Boolean: Current backend version >= Desired backend version For Agent/Collector Compliance: (Compliant agents / Total agents) × 100	Tool/Capability name OS flavor Environment	Locate Version Information Easily (UI-->Help-->About) Engage with Vendors Regularly to understand release cadence and patch details Be sure to understand Backend versions as well as Agents and Collectors: Leverage SaaS "Always up to date" Benefits Stay on Top of SaaS Planned Releases, to ensure no overlap with Critical business activities
Optimization	**Calls to Action Volume**	This KPI measures the volume of calls to action (CTAs) generated by your observability tools, including notifications, alerts, and incidents (e.g., ITSM ticket creation). It helps identify trends in how observability systems engage with people and can signal opportunities to optimize configurations, reduce noise, or improve incident correlation.	Total number of calls to action generated during the reporting period	Notification Type (alerts, incidents, email etc.) Tool/Capability name Environment (prod, NP)	Notifications are a Key Output of Your Observability Solution: Deviations in this KPI should be explainable during your executive updates. Pay Attention to Both Sides of the Spectrum: Track desired engagement mechanisms (on-call escalations or auto ticket creation) and anti-patterns (excessive emails) Correlate with Major Incidents, these are great alert correlation opportunities Monitor and Analyze Trends Seek to eliminate noisy/flapping alerts. Segment by Source and Action Focus on ITSM/ticketing Integration
Adoption	**User Adoption Rate**	This KPI measures the proportion of users who are actively using an observability tool compared to those who are able to use it (e.g., those with access or entitlements). The goal is to ensure that tools are effectively adopted by relevant teams, supporting the overall success of observability initiatives. Low adoption rates may indicate challenges such as ineffective training, entitlement mismatches, or a lack of alignment with user needs.	(Active users / Total entitled users) × 100	Tool/Capability name Business Unit or Department. Environment: (prod, NP)	Active users: Users who logged into or utilized the tool during the reporting period. Total entitled users: Users with access to the tool (e.g., invited users, IT staff, specific departments). Leverage SSO for Adoption Insights: Join with Associate data(enrich with context. such as dept, location,org) Consider various Licensing Models Leverage this KPI to Support Observability CoE Campaigns: Define Total "Possible Users" Clearly Identify and Resolve Account Hygiene Issues Spot Shared Credentials
Optimization	**Observability Requests Fulfilled**	This KPI measures the volume of observability-related requests completed by teams responsible for managing observability tools and platforms. Requests may include actions such as agent installations, dashboard creations, alert configurations, and more. The goal is to better understand where demand for observability exists, track response to improvement plans, and evaluate the total cost of ownership (TCO) and staffing needs associated with tool/platform administration.	Number of observability requests fulfilled during the reporting period	Tool/Capability name Request fields: Requestor (name,dept), fulfiller (name/dept), Request type (add/remove/change), tool/capability total ticket time	Avoid Interpreting Volume as Success Enable Self-Service and advanced training for Constant Requestors: Requestors help Identify Key Observability Champions Leverage Fulfillers in Tool Rationalization Correlate with Staffing and TCO Needs Track Over Time to Understand Trends
Utilization	**Number of Observability Tools**	Observability tools are a necessary part of building a comprehensive observability practice, but they often bring complexity, overlap, and cost.. By analyzing this data, organizations can identify: Areas of tool overlap for potential rationalization. The "golden tools" critical to operations, which require integration into event management, AIOps, or centralized enrichment systems. Opportunities to streamline observability investments and reduce operational friction.	Sum of Tools count	Observability Pillar: Metrics, Events, Logs, Traces (MELT). Tool/Capability name Tool Managing Department	Use this KPI to monitor progress as you rationalize tools or onboard replacements. Focus on Integration for Golden Tools with Event Management/AiOPS solution Consider tracking tools that are under review/rationalization to showcase reduction in tools Correlate with Cost/TCO Metrics: Review by Tools Department Ownership
Optimization	**Cost of Observability Tools**	This KPI tracks the total cost of observability tools, split across key dimensions. By analyzing tool costs, organizations can: Identify areas where costs are concentrated. Justify investments in "golden tools" while exposing areas for cost optimization. Monitor the financial impact of tool proliferation or overlap, ensuring alignment with business goals and budgets.	Sum of Tools cost Direct Infrastructure costs (Servers, storage, Database, Cloud account)	Observability Pillar: Metrics, Events, Logs, Traces (MELT). Tool/Capability name Managing Department	Start with Software Costs for Simplicity: Create an OKR to incorporate hardware costs/TCO for on-prem observability solutions. Leverage Cost Reductions to Expand Golden Tools: Track Licensing Models and SaaS Costs: Split costs by licensing model
Optimization	**Trained Resources**	This KPI measures the percentage of entitled resources (those identified as needing training on observability tools or practices) that have completed training programs. The goal is to track the effectiveness of training initiatives, measure adoption readiness, and identify gaps in skills or engagement for observability-related roles.	(Resources trained / Entitled Resources)*100	Tool/Capability name Level of training (1-3, basic, intermediate, advanced)	Prioritize Training by Role and Level Leverage LMS Tools to Track training Across Organization Correlate Advanced Training with Outcomes. Admin access requires advanced training Address Skill Gaps by tools and Observability Capabilities Encourage Continuous Learning: Leverage existing e-learning platforms (such as LinkedIn Learning, Pluralsight, etc) for training. Lean on Observability tools vendors for training material