

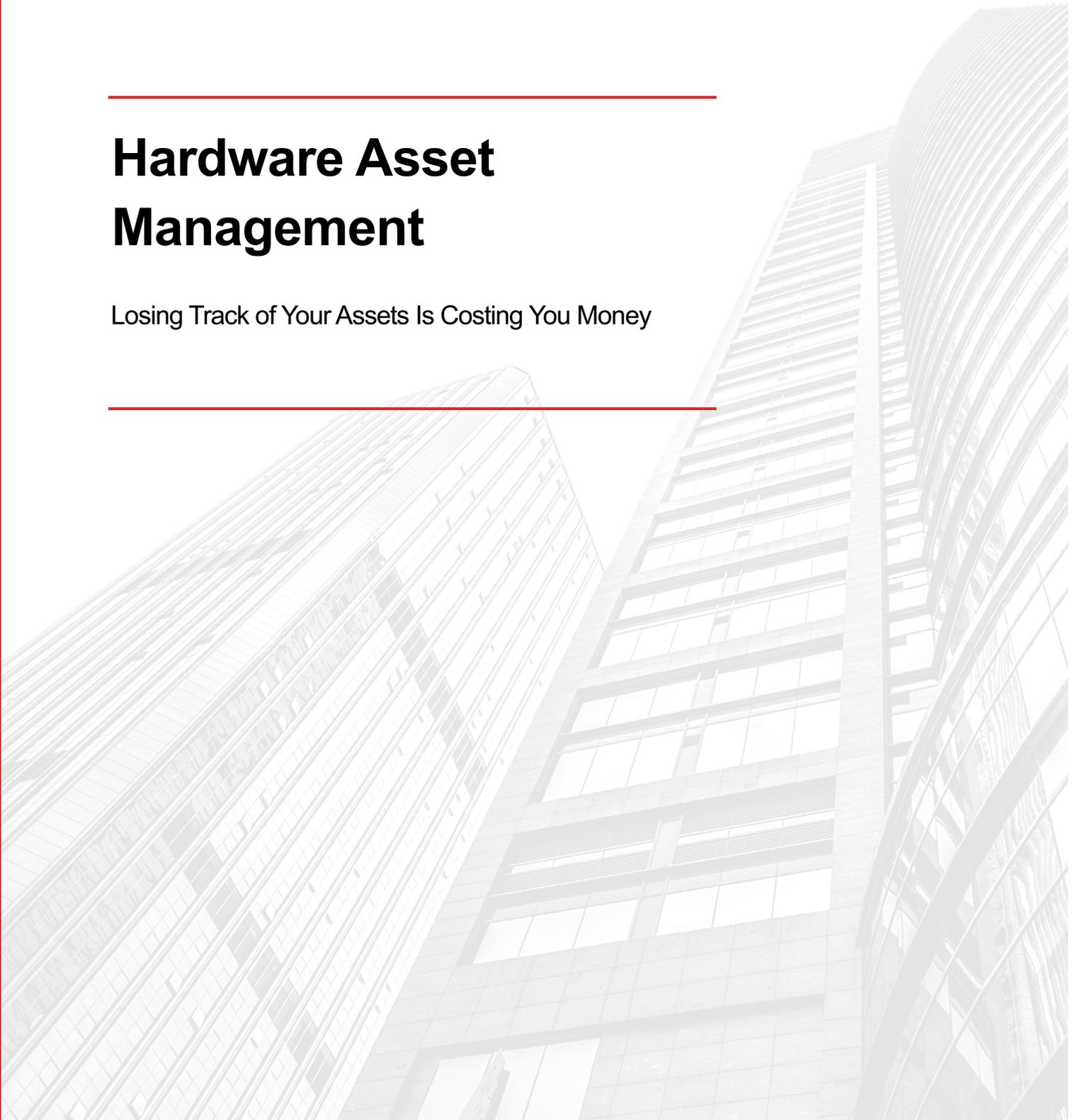


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# Hardware Asset Management

Losing Track of Your Assets Is Costing You Money

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## Traditional Metrics Don't Aid Strategic Security Decisions

Most people understand the value of managing software assets properly, but what about hardware asset management? Can you find cost savings by tracking hardware assets like laptops, desktops, printers, and other consumables within the organization? Hardware asset management delivers genuine results, broadening the IT Asset Management (ITAM) scope, while saving enterprises significant amounts of money and resources.

Software asset management and hardware asset management are linked closely together. You cannot have one without the other. When a new software request is received, the hardware it's to run on must be top of mind since many software applications require specific hardware equipment to run correctly or efficiently.

## Eight Stages of Hardware Lifecycle Management

Throughout a computer's lifecycle there are associated costs aside from the base purchase price. A well-managed PC is 37 percent less expensive than an unmanaged one.<sup>1</sup> Monitoring warranty, recall, lease, and contractual information on any piece of IT hardware in a central repository can protect your organization from loss and wasted resources.



**Hardware failure accounts for 53 percent of all data loss and systems downtime**

Hardware failure accounts for 53 percent of all data loss and systems downtime, yet you can avoid damage to corporate productivity and gain the most from your investments<sup>ii</sup>. Assets are assigned, reassigned, and moved from one location to another depending on your business dynamic. Keeping tabs on your devices is a challenge for Asset Managers. To construct a complete picture, it's critical to monitor the asset's entire lifecycle from hire to retire.

ITAM encompasses these eight steps to guarantee no item goes unaccounted for:

1. **Realize needs:** Track requests to fulfill users' needs and foster future growth.

2. **Choose a solution and place an order:** Employ workflow capabilities to make informed decisions from repository data.
3. **Arrival and check-in:** Leverage baseline assets for change management and relationship tracking.
4. **Prepare asset:** Install appropriate software to assigned devices for accurate license monitoring.
5. **Assignment:** Distribute resources strategically.
6. **Upgrade and maintain:** Connect supporting resources like P.O. information, contracts, and warranty and lease data.
7. **Reassign:** Clean the device for reassignment and tracking.
8. **Retirement and disposal:** Scrub data, reclaim software, and dispose of the hardware assets.

## Proper Off-boarding Cost Savings

Off-boarding end users is not the sole responsibility of HR; it is an IT management duty as well. Employees require tools to be productive and get their jobs done. When employees are hired, they need the appropriate hardware and software. However, many organizations may not realize the importance of properly retiring and disposing of hardware and software assets once an employee leaves or a device reaches its end of life. Organizations also may not realize they could be paying for unused assets. How?

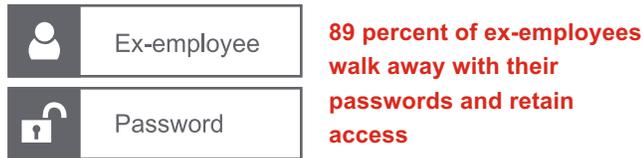
### Personal Property Tax

First, businesses are required to pay personal property tax based on the fair market value of their personal assets, and that includes any property not currently being used, placed in storage, or held for sale<sup>iii</sup>.

The taxable amount varies from state to state, but usually falls within seven to 10 percent of the value of the hardware. This may not seem substantial at first, however, when dealing with expensive equipment like servers, you could be wasting hundreds of thousands of dollars. The reality is, organizations could eliminate large expenses by simply throwing their unused hardware away. You may be eligible for tax relief due to charitable contributions. There are also companies that will purchase your old hardware and sell it refurbished. Recycling your assets is another option that can prove to be beneficial financially and can be useful to enhance your brand image as an environmentally conscious organization.

## Security

Second, when disposing of hardware assets, you must take precautions to avoid security breaches from confidential data loss. For example, businesses are prone to pay for hardware and software not properly off-boarded when an employee leaves an organization.



In December 2014, 923,000 people in the professional and business services industry left their jobs. In addition, 89 percent of ex-employees walk away with their passwords and retain access<sup>iv</sup>. As a result, businesses not only run high security risks, they could also incur substantial costs on the missing hardware ex-employees take with them and the software on those devices.

A survey of 329 organizations conducted by Intel and the Ponemon Institute revealed that collectively, these enterprises had lost more than 86,000 laptops over the course of one year, costing an astounding \$2.1 billion, which averages to \$6.4 million per business<sup>v</sup>. The price of the actual laptop may seem high, but in reality, it's the least expensive cost involved. Data breaches, lost productivity, and regulatory fines far exceed the base price of a computer. Even those devices that are recovered have the potential to be locked away in storage, incurring additional costs.

## Top 6 Benefits of Hardware Asset Management

- Minimize the cost of maintenance

- Reduce system downtime
- Decrease hardware budgets
- Monitor warranty, recall, and lease information
- Prevent data breaches through proper disposal
- Potentially save or make money through disposal

## The Ivanti Solution

Ivanti IT Asset Management Suite, powered by Landesk, encompasses discovery, inventory, software license management, data analytics, and reclamation and asset lifecycle management. These solutions are wrapped into a single Asset Manager Workspace that helps you visualize your ROI with a customizable, infographic-style dashboard.

The suite goes beyond software management to track hardware purchases, warranties, recalls, and lease information so you know what devices need a refresh. You become empowered to plan ahead and keep your equipment up to date.

Many of the problems and expenses IT departments face today could be mitigated with proper IT asset management. Tracking your assets from hire to retire is critical in knowing what assets you have, where they are, and how they are performing at any stage of their lifecycle. ITAM provides support to manage vendors and contracts, support security efforts, and cut costs, sometimes by as much as 25 to 50 percent<sup>vi</sup>.



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<sup>i</sup> <http://www.envisionitpartners.com/the-3-costs-of-it>

<sup>ii</sup> [http://www.infostor.com/backup-and\\_recovery/disaster-recovery/data-loss-and-downtime-costing-enterprises-1.7-trillion-a-year-survey.html](http://www.infostor.com/backup-and_recovery/disaster-recovery/data-loss-and-downtime-costing-enterprises-1.7-trillion-a-year-survey.html)

<sup>iii</sup> <http://money.howstuffworks.com/personal-finance/personal-income-taxes/personal-property-taxes.htm>

<sup>iv</sup> <http://www.lawpracticeadvisor.com/rogue-employees/>

<sup>v</sup> [http://www.informationweek.com/mobile/lost-laptops-cost-\\$18-billion-per-year/d/d-id/1097314?](http://www.informationweek.com/mobile/lost-laptops-cost-$18-billion-per-year/d/d-id/1097314?)

<sup>vi</sup> <http://ws.iaitam.org/Misc/PCToday-ITAM.pdf>