



# Managing IT assets

## How to manage IT equipment across its lifecycle

Replacing your old IT equipment poses challenges: deciding what new technology to deploy, how to finance the purchase or lease, and how to best use your hardware to help you produce better business outcomes.

But getting new equipment also poses the challenge of what to do with your old hardware. You must dispose of it without contaminating landfills or releasing toxins into the air. At stake is your reputation for responsible environmental stewardship and sound management, as well as compliance with a growing array of environmental legislation.

By thinking ahead, you can minimize or eliminate risks associated with removing old equipment and maximize the benefits to your company and the environment.

### Cleaning Time

Clearing out old equipment from offices and warehouses is a dilemma for businesses around the globe. Consider these facts:

- Greenpeace Intl. puts the amount of electronic products discarded globally at 20 to 50 million metric tons generated every year.
- According to the US Environmental Protection Agency (EPA), 157 million computer products (CPUs, monitors, notebooks, keyboards, mice, printers, faxes, and copiers) were discarded in 2007 with 80-85 percent being improperly disposed.
- The National Safety Council estimates that in 2009 more than 500 million PC's will be relegated to scrap in the U.S. alone.
- Discarded electronics, called e-waste, is the fastest-growing component of the municipal solid waste stream, according to Greenpeace.

At the same time, environmental regulations around the world are becoming more complex. The penalties for violating them can be severe, making disposition of old IT equipment more difficult and expensive.

You also have to deal with the business risks involved in disposing of obsolete or unneeded IT assets, including:

- Software licensing issues
- Tax and liability implications
- Logistical concerns



And there are more factors to think about. Your outdated equipment may hold customer account information or other proprietary data. Some IT assets may also contain heavy metals and other hazardous substances. Careless handling can endanger people and the environment, exposing your company to legal liability and negative publicity.

### Evaluating your Options

With all these things to consider, getting rid of your old IT assets in a secure, environmentally-responsible fashion can be complex, expensive and labor-intensive.

But a well-managed asset recovery program can minimize or eliminate risks. In fact, IT equipment that no longer meets your company's needs may have value to others—if it's promptly refurbished and effectively remarketed.

Two options to developing an effective IT recovery program are to do it yourself, or outsource IT recovery to a partner. To assess the best route, determine whether you have the in-house resources to dedicate the time and effort required to manage, inventory and store end-of-life IT gear.

"The goal is to find the optimal combination: to return maximum asset value to the organization, minimize cost, minimize risk, ensure compliance and enhance the reputation of the enterprise," says Jim O'Grady, Director—Global Asset Management, HP Financial Services.

### Best Practices for Asset Management/Disposition

O'Grady recommends these best practices for IT asset management and disposition across the IT lifecycle.

- **Plan for end of use.** Develop a plan and budget, sponsored by a corporate officer, to manage IT asset end of life. Do it well ahead of when you will actually need to remove assets from service.
- **Asset tracking.** Implement an asset tracking solution that can tell you where assets are, what type of data is on them, the type of contract and warranty, remaining book value, date of decommission, and confirmation of data erasure and/or disposal.
- **Asset optimization.** Prepare a total cost of ownership analysis, incorporating service, maintenance and contractual components. Consider leasing as part of your overall IT investment protection strategy.
- **Asset disposition outsourcing.** Engage an asset-recovery partner that has a brand name and reputation for trust and integrity. Share the risk and conserve valuable resources for your core business.
- **Data security.** Destroy, clear or sanitize data as you decommission IT assets and before they leave your control. Use your outsource partner as the final validation point for data security.

O'Grady also recommends that you protect your company—and your reputation—by:

- Implementing a companywide process to manage IT asset end of use
- Maintaining a strong partner management audit process
- Visiting potential partners during the vendor selection process to confirm their qualifications and capabilities

Remember, you are responsible for what your vendor does with your assets.

### HP Asset Recovery Services

Commercial and enterprise customers can lease IT assets from HP Financial Services. At the end

of a lease, customers can return the equipment to HP Financial Services for refurbishment and resale. If the equipment is truly obsolete and does not have resale value, HP manages its disposition in accordance with applicable environmental laws and regulations.

To help minimize the risk of loss of proprietary information that may reside on drives or in memory, HP uses industry-standard software and processes to overwrite drives, as well as stringent procedures such as destruction of hard drives to protect proprietary data.

"We help companies manage IT assets even when that equipment wasn't made by HP," says O'Grady. "Simply put, we've got the expertise to do it right, and a growing number of companies recognize it's smart business to rely on us."

### Creating Value

Your company cannot afford the risk of improperly disposing of obsolete IT equipment. The right asset recovery program can help you efficiently address the end-of-use IT lifecycle dilemma, while focusing on your core business competencies.

"HP Financial Services helps customers manage the risk of dealing with older IT equipment," says O'Grady. "We help customers safeguard their proprietary information, comply with financial regulations, and may even provide a financial return on their remarketable equipment."

### About HP Financial Services

A wholly owned subsidiary of Hewlett-Packard Company, HP Financial Services (HPFS) supports and enhances HP's global product and service solutions, enabling customers worldwide to acquire complete IT solutions, including hardware, software and services. In addition to flexible financing solutions, HPFS also delivers world-class asset management and recovery services.

## Technology for better business outcomes

Put HP Financial Services to work for you. Call your HP Financial Services representative or find us on the web at: [www.hp.com/hpfinancialservices](http://www.hp.com/hpfinancialservices)

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