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# Asset Lifecycle Management: Advancing Innovation and Sustainability in the AI Era

**The shift toward GenAI necessitates significant investments in IT infrastructure. IT asset lifecycle management is becoming crucial to manage infrastructure portfolios and meet sustainability goals.**

## Challenges to Fund GenAI Projects and Meet Sustainability Commitments

**As organizations pivot to capitalize on GenAI technologies, they are investing in the requisite infrastructure across the IT estate:**

Cloud | On-premises datacenters | Colocation datacenters | Edge locations | End-user devices (desktops/notebooks)

### Budgetary challenges, however, remain a roadblock to innovation.

When asked,

**"What most significantly limits further evaluation or expanded use of GenAI in your organization?"...**

...**25%** cite excessive infrastructure costs.

Source: IDC's *Future Enterprise Resiliency and Spending Survey, Wave 1* (January 2024); N=881

### Asset end-of-life and circularity practices sit at the crucial intersection of AI and sustainability goals.

When asked,

**"Does your organization recycle or reuse its used IT equipment?"...**

...**78%** say yes.

**Top 2 reasons:**

1. Corporate mandate to improve sustainability metrics
2. To improve useful life metric and obtain value for older gear

Source: IDC's *Used Equipment Market Survey* (February 2024); N = 1,319

## the AI Pivot isn't Only About New Infrastructure.

**Adopting GenAI often requires new IT asset investment — but organizations can also leverage existing technology stacks.**

**Existing end-user devices and datacenter assets offer opportunities to:**

- Decommission, resell, and reinvest
- Cascade to new uses
- Operate more efficiently

**IDC research shows that demand for used IT equipment will remain strong:**

Nearly **20%** of organizations expect to increase spending on pre-owned equipment.

**93%** of organizations expect to maintain or increase spending on pre-owned equipment.

Source: IDC's *Used Equipment Market Survey* (February 2024); N = 1,319

## CIOs and CFOs Benefit from Hardware Asset Management (HAM) and IT Asset Disposition (ITAD) Strategic Partners.

- Maximization of the value of IT assets across the life cycle
- Secure technology refreshes and cascading
- The opening of budgets for GenAI initiatives via an understanding of residual value
- Meeting sustainability goals with verifiable metrics and secure chains of custody

**CEOs and chief sustainability officers also benefit.**

Source: IDC's *Used Equipment Market Survey* (February 2024); N = 1,319

## Asset Lifecycle Management Requires Partners that Deliver Sustainability Metrics and Data Security.

**76%** of organizations say IT recycling and ITAD are part of sustainability policy.

**42%** say secure chain of custody is a top attribute of an ITAD partner.

**46%** cite requirements for comprehensive documentation of IT asset destruction and redeployment.

Source: IDC's *Used Equipment Market Survey* (February 2024); N = 1,319

## Evaluating HAM and ITAD Providers: Key Considerations

**Comprehensive security capabilities** that include chain of custody transparency and detailed data erasure policies

**Sustainability metrics,** including robust reporting on CO2e reductions and consultative guidance on extending the life of IT assets through reuse and/or resale

**Remarketing expertise,** including asset valuation at various stages of the life cycle and access to global resale networks

**Local and global delivery and support** for HAM and ITAD processes, including integrations between key internal and external stakeholders

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