



# 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.

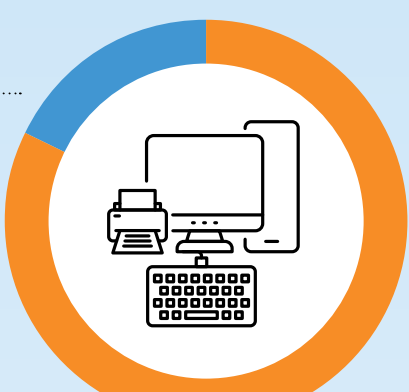
Adopting GenAI often requires new IT asset investment — but organizations can also leverage existing technology stacks.

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