Properly handling end-of-life IT assets

BY JEFF ZEIGLER

With major electronic suppliers arguing about which company recycles the most electronics, and with e-waste legislation on the rise across the world, green computing is a hot topic. Many companies, however, are still in the dark about getting rid of old IT equipment in an environmentally friendly way that also ensures the secure destruction of sensitive data.

Recycling often is cited as the answer, but refurbishment and resale now are being recognized as the ultimate solution. But how do companies get used technology out of their offices and into the hands of those who need it?

Without knowledge of trusted options, many companies simply store devices, which is not only a waste of space but also a potential security and environmental risk. What's more, time spent in storage greatly devalues equipment that could have generated income on the secondary market. Another result of inadequate end-of-life IT asset management is continuation of software licenses and service agreements that, believe it or not, can end up costing companies millions per year.

Corporate IT departments understandably are concerned about unnecessary software licenses and data security, but they also are increasingly interested in the environmental impact of disposing of used equipment. Recycling is certainly an important last resort, but the huge and largely untapped market for used devices makes refurbishment and resale a profitable — and more socially responsible — alternative.

Recent United Nations University research by professors Rudiger Kuerh and Eric Williams reveals that passing on a PC for someone else to use can be 20 times better for the environment than breaking it up and recycling it.

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As long as enterprises rely on ad hoc solutions for disposing of retired IT assets, systems are going to end up wasting space in closets and warehouses until someone decides to get rid of them, often in a dumpster. To ensure proper management of old technology, enterprises should work with established IT asset-recovery providers that handle the end-to-end process, supporting reverse logistics, software-asset-inventory analysis and reporting, thorough data destruction, device refurbishment and resale, and finally, recycling.

To ensure an effective asset-recovery program, IT management should have a clear understanding of average monthly asset retirement figures and the environmental and industry regulations that affect the company. While companies can try to shoulder the load themselves, even the most effective in-house asset-recovery program probably will need an experienced partner to see it through properly.

Choosing a company to deal with retired technology should not be undertaken lightly, and ultimately will require due diligence regarding specific qualifications and other aspects of their business.

Asking the following 10 questions can be a good way to start. Any IT asset-recovery company that does not have satisfactory answers is probably not one worth pursuing:

- What are your tracking and automation capabilities to manage assets?
- Can you process all types and ages of IT equipment and recover value from systems, parts and raw commodities?
- Have you developed a holistic data-sanitization process that sanitizes all types of media — such as Integrated Drive Electronics (IDE), SCSI and fiber — and can be verified using forensic tools?
- Do you have destruction capabilities, such as degaussing, dismantling and refining, for data that cannot be erased?
- Can your operations scale to meet your partner's needs, and are they ISO 9001 and ISO 14001 certified to meet standards of quality for process management?
- Do you provide documentation and full reporting of your processes and perform internal and external audits?
- Have you developed value-added operations, such as repair, refurbishment, salvage or recycling capabilities, to ensure that quality products are being resold and for the best price?
- Which sales channels have you developed to maximize the recovery value of systems, parts and raw materials?
- Can your reporting systems provide robust data and integrate with your partner's inventory or asset-management system?
- What risk protection do you offer to your clients (for example, indemnification, errors and omissions insurance, and pollution insurance)?

This is not an exhaustive list, but it should provide a foundation for establishing selection criteria. Asking these questions will at the very least ensure that a company's old IT assets are handled by a qualified professional — not hauled off to a landfill by an unscrupulous scrapper.

As technology-refresh cycles continue to shorten, it has become more critical than ever for companies to make end-of-life IT asset disposal a high priority by going through these steps and working with reputable refurbishing and recycling providers. By doing so, companies will ensure an environmentally sound and secure way to rid themselves of old equipment and provide affordable options for those who can't afford new technology.

As the market for used technology continues to grow, companies will find that a good partner can recover enough value to pay for the services and return some additional value. This creates a win-win situation in the truest sense.

Zeigler is CEO of TechTurn. You can reach him at, jeff.zeigler@techturn.com.