

## **IT Asset Management - an Integral Part of an Overall Asset Management Strategy**

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**Why would an organization want to track, and effectively manage their IT assets? In days gone by, the answer to this question was “money”. Emphasis was placed on the reduction of TCO of the enterprise. While this is still the case, the reasons for implementing a comprehensive IT asset management strategy are evolving. IT asset management is no longer only concerned with reducing TCO within the IT department.**

**IT asset management is increasingly becoming the tool by which an organization is able to link their technology strategy directly with the organization’s mission objectives.**

**This paper will examine the following areas of IT Asset Management:**

- **What is “IT asset Management, and why is it increasing in importance?**
- **Why should “IT Asset Management be viewed as one integral part of an overall asset management strategy?**
- **Identifying problems necessitating a comprehensive IT asset management strategy.**
- **Explore solutions to the problem.**
- **Finding the right tools to effectively solve the problem.**
- **Finding the right partner for your organization.**

### **What is IT Asset Management, and why is it Increasing in Importance?**

**While the reasons for implementing an IT asset management system have evolved (above), the definition of a “comprehensive” solution has likewise evolved. If, in fact, IT departments have been elevated to the position of having to be able to link their technology strategy directly with their organization’s overall mission objectives, then it follows that the definition of an effective IT asset management system must now be more than, “tracking all IT assets across the enterprise”.**

**Given the changing role of IT departments in the overall corporate strategy, this writer would propose the following definition of a well thought out, and comprehensive IT Asset management System:**

**“IT Asset Management” is the dynamic, multi-departmental process of tracking both technical, and non-technical business critical information about all hardware and software across an organization’s enterprise, throughout the entire asset lifecycle.**

Let us now take a closer look at this definition.

**“...dynamic, multi-departmental process...”** – If IT is to be included as a critical contributor of the overall organizational strategy, it logically follows that any IT asset tracking solution must operate effectively with all business units within the organization. These groups typically include:

- All areas of IT
- Finance
- Accounting
- Purchasing
- Property Management
- Legal
- Contracts
- Facilities
- Personnel

In addition to the requirement of interfacing with the above business units, any implemented solution should be flexible enough to allow for the potential dynamics (changes) of business processes within each business unit. For instance, “post-implementation” changes in business processes within the accounting department should not necessitate major changes in the IT asset management solution.

**“...tracking both technical, and non-technical business critical information about all hardware and software across an organization’s enterprise...”** – Again, as mentioned above, the IT department can no longer reside in a world of their own. For an IT asset management system to be effective, there must be the capability to track both technical, as well as, non-technical information related to the asset, and have the ability to assimilate this data into a single asset record. Typical ‘technical’ information would include such items as:

- Manufacturer
- Make/ model number
- Network adapters
- Installed software
- Firmware
- CPU information
- Memory

Non-technical information would include such items as:

- Purchase order number
- Date asset was delivered
- Procurement vehicle utilized
- Location of asset

- Organization taking responsibility for asset
- Contracts/Agreements associated with the asset
- Financial information associated with the asset

**“...throughout the entire asset lifecycle.”** – Tracking and managing an asset effectively does not start on the day the asset was received, and end on the day the asset is retired. The entire asset life cycle is a comprehensive and often a detailed dynamic process.

Any asset management solution implemented must, out of necessity, be a cradle-to-grave solution. The ideal solution will track and manage the asset from the time of acquisition, until the time of retirement, and all phases of the lifecycle in between.

Typically, these asset lifecycle phases will include specific “events” relevant to the areas listed below. It is imperative that each of these “events” is captured and becomes part of an integrated database that becomes available to the appropriate individuals for use in making business critical decisions.

Acquisition  
Management  
Finance  
Inventory Review  
Agreements  
Inactive  
Excess  
Retirement

#### **Identifying the Problems Necessitating a Comprehensive IT Asset management Strategy:**

Fortunately, the problems necessitating the implementation of a comprehensive IT asset management strategy are fairly easy to identify. Unfortunately, however, far too many organizations cannot answer the following questions with an acceptable degree of certainty:

- How many PC's is my organization responsible for?
- Where are they currently located?
- What software applications currently reside on each PC?
- Are any of these unauthorized, or illegal copies?
- How is each PC configured (processor, memory, etc.)?

- Which IT assets are leased?
- Which IT assets have been purchased?
- Which departments are responsible for which assets?
- Can IT assets (HW) currently not being used, be redeployed? If so, who needs them?
- Can software licenses residing on unused PC's be reclaimed?
- Are we purchasing upgrades for IT assets currently not in use?
- Are we purchasing annual maintenance and support for these unused assets?

It is usually the case that organizations that cannot answer any or all of the above questions are experiencing problems in both the IT department, as well as in other departments responsible for compiling and reporting accounting and financial data regarding the IT assets.

Typically, the multi-departmental problems resulting from not having the up to date information outlined above will materialize in several areas. These usually will include:

- Forecasting and budgeting problems.
- Inability to pass required audits.
- Inability to provide accurate and meaningful management reports.
- Purchasing problems.
- Upgrade problems.
- Problems tracking specific assets linked to specific contracts and agreements.
- "MAC" (moves/adds/changes) problems.
- Reutilization problems.
- Inability to develop an accurate migration strategy.

### **Choosing the Appropriate Tool:**

Choosing the appropriate tool for solving an organization's problems are not all that complicated. However, this process should be conducted in a well planned out, methodical fashion.

The products currently on the market are numerous. Some of these products will address many of the problems identified in this paper. Several of the offerings will

address only a few of the issues. A very few of the products will address all of the concerns.

Choosing the solution that is most suited for a particular organization should address issues in two areas:

- The ability of the product to solve specific identified problems within an organization's unique environment.
- The company offering the product and services.

The decision making process should include an LTD (live test demonstration), a test bed, or a pilot project. In most cases a detailed analysis of an organization's infrastructure and business processes is advised.

Whatever approach is ultimately decided on, it should be the responsibility of the contending vendor to prove beyond any doubt that their proposed solution can accomplish the following:

- Cost savings by eliminating redundancy.
- Cost savings by effective reutilization.
- Cost reduction by avoiding unnecessary purchases of maintenance/support renewal on unused IT assets.
- The ability to pass audits- first time and every time.
- The ability to generate accurate and meaningful management and financial reports.
- The ability to track all IT assets throughout the entire asset life cycle.
- The ability to easily integrate with an existing, or planned property asset management tool.
- The ability to track components within the IT asset, including installed software.
- The ability to easily track configuration changes.
- The ability to track "movement" of the asset.
- The ability to scale as the organization grows.
- Must be highly "secure".
- Must be very customizable.
- Ease of deployment is crucial.

- **Must be capable of flexible and effective reporting.**
- **Should be built around industry standard technology**
- **Must be easy to learn/operate/maintain**

### **Choosing the Appropriate Partner:**

**Thus far, this paper has addressed several different areas concerning IT asset management. These include: identifying the critical problem areas, and finding the appropriate tool with which to solve the problem.**

**This would be an excellent time in which to remind all readers of this paper of an old axiom - “Software does not solve problems – people do.”**

**The choosing of the appropriate technology partner is the glue holding the entire asset management design and implementation effort in place. In no uncertain terms, there are specific demands that must be made upon any potential technology partner.**

- **Proven track record of getting an organization up and running in an efficient and cost effective manner.**
- **The ability and the willingness to work with your organization to:**
  - **Perform a detailed business analysis.**
  - **Perform a detailed architectural and workflow analysis.**
  - **Perform a detailed data migration analysis and strategy**

### **Summary:**

**IT departments are increasingly playing a larger role in the meeting of the overall strategic planning of an organization. The IT asset base of an organization is continually becoming a larger percentage of the overall asset base. The need to more effectively manage all IT assets is growing, and will continue to grow.**

**The need to implement a comprehensive IT Asset Management System has never been greater. Most enterprises cannot delay taking steps to bring IT into the corporate fold of long-term business and strategic planning. The time to begin planning, designing, and implementing a fully integrated IT Asset Management System is now.**