Creating the Right Technology Lifecycle Plan

An Executive Summary for JMARK Clients

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Lifecycle planning is becoming a high priority for organizations as reliance on technology increases in every aspect of running a business. In the past, companies treated technology assets like most other hardware: use it until it wore out and then replace it. However, this caused downtime, frustration, and an unpredictable budget. To alleviate these problems, JMARK created a process to simplify technology lifecycle planning for our clients.

This planning is an essential part of what we call “the business of IT,” which is the work of ensuring that the technology design meets the mission of the organization and aligns those outcomes with the budget and lifecycle management plans.

This is part of the technology plan your client relationship manager (CRM) creates and reviews with you on a regular basis. However, for those who want to understand better what it takes to create the ideal technology lifecycle plan, we break down the steps below.

The best practice at JMARK is to develop a five-year technology plan. This way, the day we put hardware into operation, we already know the quarter that it will be retired. This allows for the depreciation cycles of the entire environment and accounts for the necessary application/software upgrades needed to stay current. By incorporating the software upgrade cycle into the plan, we can also account for necessary infrastructure upgrades to ensure the new application versions can be supported properly.

The first step is to develop an inventory of all technology assets. This includes computers, laptops, mobile devices, switches, routers, firewalls, wireless access points, etc. Everything should be included. Additionally, the inventory should include the warranty and subscription charges for any equipment. This is also a good time to check that all infrastructure components have an active warranty in place (original or extended, which ensures that replacement parts can be acquired when needed, minimizing downtime.

Once the full inventory is established, the next step is to identify the last replacement date for each component. This may involve getting help from the accounting department and researching purchasing records.

Next, we identify the major upgrade schedule of the core applications used in the business. Major infrastructure upgrades should be performed shortly before application updates so that the refreshed infrastructure includes any new application requirements.

Once we know these schedules, we compare them to the rest of the hardware replacement cycles. Generally, computers should be replaced at three years, and servers at four, while network equipment can be replaced every four or five years, depending on the circumstances. However, during a year when a major server upgrade is scheduled, it may be possible to reduce the overall number of equipment upgrades so that the cash impact is lessened. This has the benefit of leveling out the technology budget from year to year.

Again, all hardware should be covered under the applicable warranty and/or subscription service to ensure it stays current and replacement parts can be procured when needed. This includes workstations. With workstations, there can be the temptation to let devices extend beyond the warranty schedules and simply replace them when they fail. However, this creates substantial business disruption and makes the migration to the replacement much more difficult. Not to mention, there is a significant decline in performance when a computer goes beyond the fourth year.

Because JMARK has done this for so many years across numerous industries, we've observed that when an organization tries to save money by extending the lifecycle, the overall spend balances out to nearly the same over a ten-year span. This happens because of the increase in migration costs, plus performance issues from long lifecycles.

Taking a proactive approach is much better for everyone involved. It sometimes takes a few budget cycles to get to the point where things level out, but the long-term savings prove the value of the process.