

The Case For An Accelerated Device Refresh Cycle

After the turmoil and change of the last three years, companies are collectively moving into a new future of work that includes flexible workspaces. While this opens new opportunities for their employees to collaborate in new ways, it also exposes new security vulnerabilities and leaves a vacuum to be filled by a new employee experience, often via new hardware.

As companies refresh their employee hardware/devices, they must contend with new expectations from employees and investors while feeling confident that they are selecting the highest-quality hardware. That hardware should not only provide the right capabilities and experiences for their workforces, but should also ease management burdens, reduce security vulnerabilities, and integrate with cutting-edge software. These benefits should lead to a more cost-effective device lifecycle overall.

What's more, companies can enjoy a more streamlined refresh process by outsourcing parts of their device lifecycles. Ninety-two percent of surveyed decision-makers in IT, operations, and finance said outsourcing their organization's refresh cycle is valuable or critical.

Key Findings

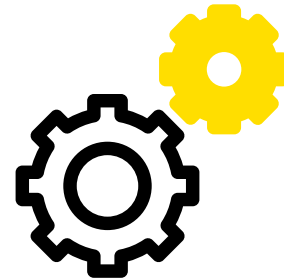
- **Companies are updating their device strategies for more flexible work environments.** Security breaches and more flexible working styles are driving companies to rethink their approaches to device management and refresh. While the majority of respondents are pursuing a traditional three- or four-year refresh, many are seeing the potential benefits of moving to an accelerated refresh model.
- **Outdated devices cause poor end-user experiences and expose potentially costly security vulnerabilities.** Most respondents' organizations faced a security breach in the past year, and outdated hardware is partly to blame. Users and device management are due for a new generation of smarter, safer hardware.
- **An accelerated refresh cycle can protect your organization's devices, enable employees, and bolster the bottom line.** Shortening device refresh cycles improves employee productivity, reduces security expenses, and improves employee Net Promoter Scores.¹

The Three-Year Refresh Is Too Slow For The Modern Business

In our study, we found that companies typically refresh both desktops and notebooks every two to three years with room to shorten the cycle for business leaders. With new pressure coming from internal stakeholders to increase security measures and to boost productivity, decision-makers stand to benefit from newer devices with better capabilities.

Half of respondents indicated the most challenging aspect of device lifecycle management is having outdated hardware that makes it difficult to integrate new technologies and software (50%). This is followed by challenges related to security, end-user experience, and ultimately cost. Their organizations' current outdated hardware has far-reaching business consequences that fall into the following main categories:

- **Security and cost.** Investing in security is expensive, but so are breaches of customer and proprietary data. More than half of respondents (57%) listed security vulnerabilities introduced by software updates as their organization's top business-related consequence of not updating hardware in a timely manner. So while the high cost of investment/licensing is a top challenge when it comes to hardware refresh, increased capex or opex on security is a key business-related implication of outdated hardware (44%).
- **Employee experience.** A great deal of pressure is placed on hardware to perform for employees, yet nearly four out of 10 respondents (39%) reported poor employee/team collaboration and experience. Respondents reported challenges with managing slow application updates and poor device performance (47%), which impacts the productivity and workflows of their organizations' employees. Another 44% said their organization has challenges accessing technical support without disrupting workflows (see Figure 1).



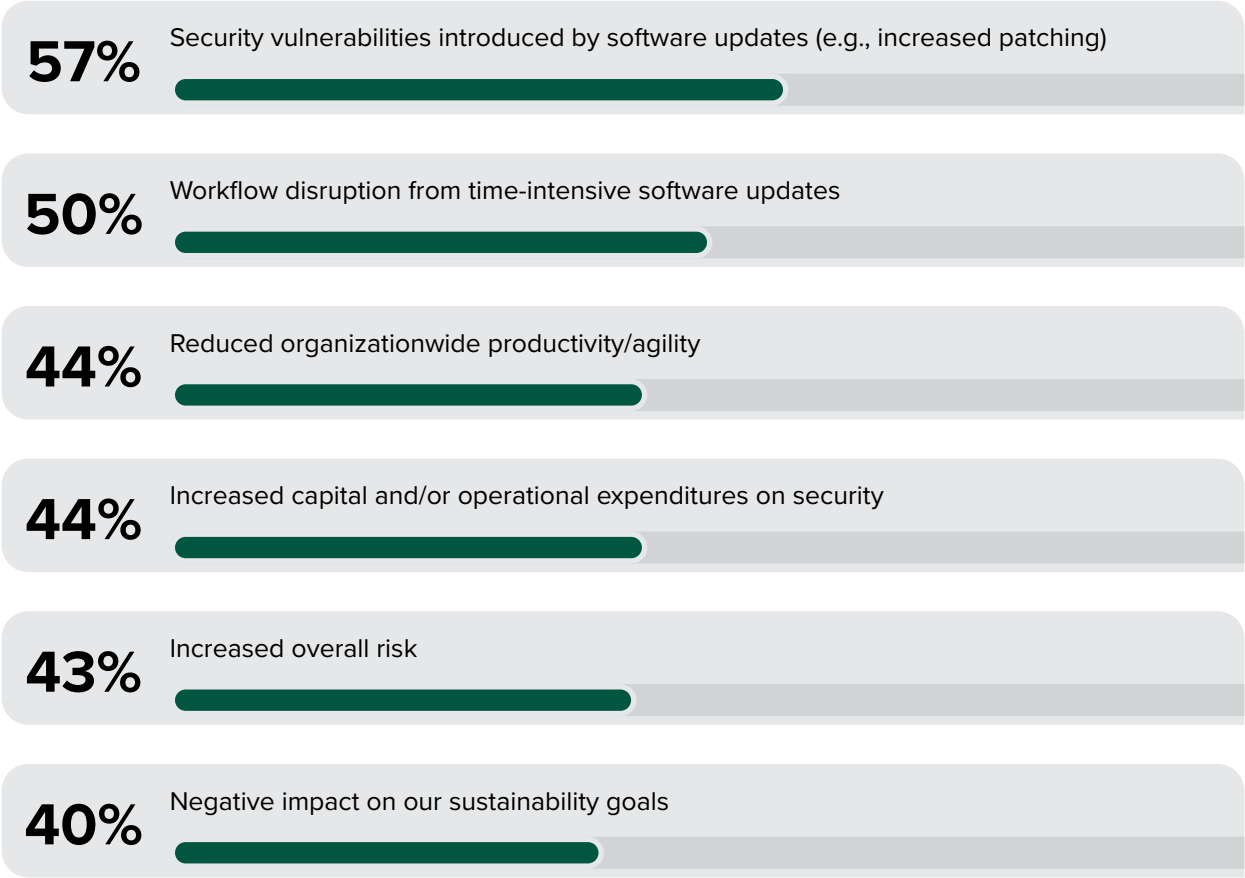
94% of respondents said adopting a 2-year refresh cycle has improved employee productivity.

“There might be added features in a refresh that you didn’t have in the old device that might be really beneficial to the users. ... You’re getting upgraded features that certainly make life a little bit easier at the PC. I think that’s one of the added benefits that you would get from a refresh every two years.”

Corporate VP of IT and chief information officer at a health system

Figure 1

“What business-related consequences of not updating hardware in a timely manner have you encountered?”



Base: 416 global directors+ in hardware/technology refresh with decision-making power in IT, operations, or finance

Note: Showing top 6 of 10.

Source: A commissioned study conducted by Forrester Consulting on behalf of Dell, August 2022

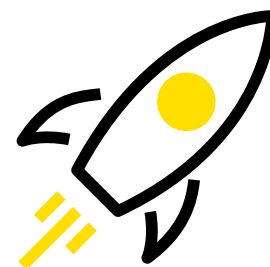
An Accelerated Device Refresh Enhances Employee Experience, Improves Security, And Optimizes Cost

Respondents' organizations are facing challenges with their outdated hardware, highlighting the benefits of shortening their device refresh cycle. Ninety-six percent of respondents said a two-year refresh cycle is valuable/critical to their organization. But in what ways is an accelerated device refresh supporting the organization and its bottom line? We found benefits in these key areas:

- **Security and cost.** By refreshing sooner, end users get access to the newest, most secure versions of their desired technology. Seventy-two percent of respondents said their organization experienced improved security from adopting a two-year refresh cycle. Another 66% of respondents said their organization experienced reduced overall risk from adopting a two-year refresh cycle. With the benefits outweighing the risk, new technology is always worth the investment. Five out of six respondents said their organization experienced reduced capex or opex expenditures on security, and 58% said their organization experienced reduced cost on compliance initiatives (see Figure 2).
- **Employee experience.** When it comes to an accelerated refresh cycle, respondents said they expect benefits in spades and that they expand to employee experience, as well. Ninety-four percent of respondents whose organization has adopted a two-year refresh cycle said their company has seen improved employee productivity. More than three out of four respondents (78%) said their organization experienced an increase in its employee Net Promoter ScoreSM by adopting a two-year refresh cycle for notebooks.²



72% of respondents said their organization experienced improved security from adopting a two-year refresh cycle.

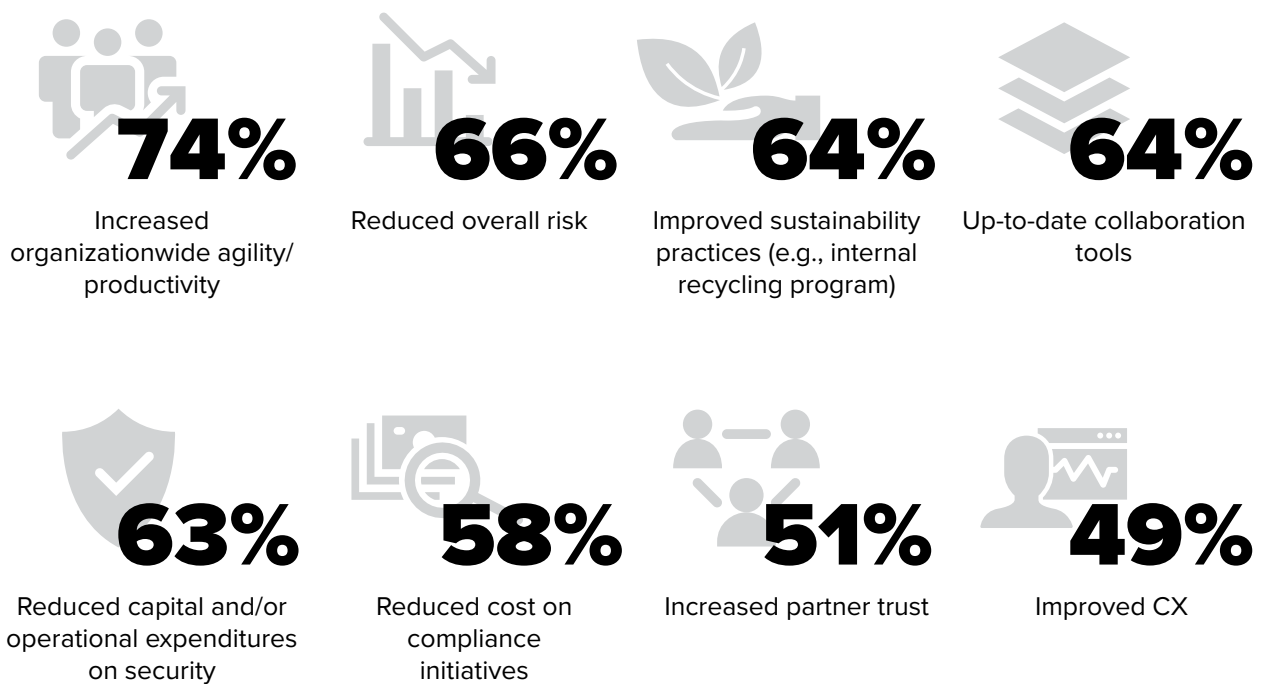


94% of respondents whose organization has adopted a two-year refresh cycle said their company has seen improved employee productivity.

- Sustainability.** Programs that deliver value to the end user while ensuring sustainability throughout an organization are top of mind. Sixty-four percent of respondents said their organization experienced improved sustainability practices (e.g., internal recycling programs). Another 54% said their organization experienced reduced operational expenses through technology reuse/repurposing. Accelerated refresh cycles help organizations cascade devices through several users, extending the device’s life through repair, upgrade, and reuse while ensuring that those users who need newer, faster devices can get the devices they need.

Figure 2

“What business-related benefits has your company experienced/would your company expect to experience from adopting a two-year refresh cycle?”



Base: 416 global directors+ in hardware/technology refresh with decision-making power in IT, operations, or finance
 Source: A commissioned study conducted by Forrester Consulting on behalf of Dell, August 2022

METHODOLOGY

Dell commissioned this study to understand how companies are evolving their device refresh strategies to address continued changes in the workforce and in available technology.

To achieve these objectives, Forrester conducted an online survey with 416 respondents and four qualitative interviews with hardware/device refresh decision-makers in IT, operations, and finance, in North America, EMEA, and APAC.

To read the full results of this study, please refer to the Thought Leadership Paper commissioned by Dell titled, “The Case For An Accelerated Device Refresh Cycle.”

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ENDNOTES

¹ Net Promoter, NPS, and the NPS-related emoticons are registered U.S. trademarks, and Net Promoter Score and Net Promoter System are service marks of Bain & Company, Inc., Satmetrix Systems, Inc. and Fred Reichheld.

² Ibid.

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