

## Operational Considerations in Determining PC Replacement Life Cycle

Jack Heine, Leslie Fiering

PC replacement cycles should take into account factors beyond depreciable life and OEM warranty coverage. IT asset managers and procurement specialists should consider PC replacement cycles that best match business needs and user-specific requirements.

### Key Findings

- Optimum PC replacement decisions are based on the operating system (OS) and on functional compatibility, usually four years.
- Although notebooks are significantly more reliable even than just five years ago, they still suffer a high enough failure rate to be replaced at the end of the OEM warranty period, which is three years.
- The labor component of total cost of ownership (TCO) for the desktop (see the table in the Analysis section) is more than 50% (based on 2005 benchmark data); therefore, ongoing support costs must be considered in any decision to extend PC and notebook lifetimes.

### Recommendations

- Plan on a four-year replacement cycle for desktop PCs. Five-year refreshment cycles are recommended only for fixed-function task worker systems.
- Plan on a three-year replacement cycle for notebooks.
- Consider accelerating replacement cycles for power users, such as application developers, graphics designers and large spreadsheet users, but only if faster performance and newer features provide a demonstrable return on investment.