

Federal Computer Week

Do Agencies See Insourcing as a Mandate?

By Matthew Weigelt
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Federal officials, here's what companies are concerned about: that the administration encourages insourcing and agencies will take that as a mandate.

The question: Is there a real justification for industry to worry?

The Professional Services Council is one group that believes agencies may be starting to think insourcing is something required of them. The council acknowledged it's very early in the process to get a full sense of how agencies will act, but there are signs and rumblings of a growing effort to insource work, the council said. A lot of PSC's member companies have heard those rumors from agencies. The sky isn't falling because of insourcing, but cracks are forming.

One specific worry is that agencies will pick the easy-to-insource jobs to reach any quota they might have set. Bringing those jobs in-house might help meet the initial mark, but agencies will miss the long-term objective of insourcing: rebuilding the government workforce to include more people who have the skills to handle critical jobs. Those people are hard to come by, so insourcing their work is tough.

The core skills would support jobs that are close to inherently governmental functions without quite being inherently governmental. These jobs are critical to the agency to maintain control of its mission and operations. Numerous officials have said contractors do work that is uncomfortably close to inherently governmental, and that agencies rely too much on contractors. The next step is insourcing.

The Professional Services Council said insourcing is not bad, especially if agencies can save money. Yet it just wonders how agencies are reaching these savings estimates to determine whether it's worthwhile to insource the work. They want transparency, to see the government's addition and subtraction to reach its conclusions. In those math problems, it wants agencies to consider more than the immediate relative cost savings, but also how bringing more people into the government workforce costs too, such as issuing more laptops and cell phones and the added costs to offices that oversee personnel issues.

So again, the question: Are industry's concerns justified?

