



Insourcing....And Around it Goes...

By Phil Piemonte

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The position of some members of Congress is that insourcing certain work to federal employees somehow “robs” jobs away from the private sector.

The Obama administration’s overall policy, on the other hand, has been to insource jobs to the federal workforce when those positions perform “inherently governmental functions”—*and to take a hard look at work that is contracted out.*

The White House so far has gotten its way on insourcing. But the deep federal downsizing advocated by many in the new Congress may have started to cause the winds to shift on that issue.

One indication: A memo released Feb. 1 by Army Secretary John McHugh announcing that he is reserving authority to approve any Army insourcing proposal—and even to suspend already approved insourcing decisions until his people can conduct a full review. A year ago, McHugh told the Senate Armed Services Committee that the Army planned to insource 11,084 positions between fiscal 2011 and 2015.

A moderate Republican who served nine terms in the House, McHugh was ranking member of the House Armed Services Committee when appointed in 2009 by President Obama.

He qualified his decision this way: “In an era of significantly constrained resources, the Army must approach the insourcing of functions currently performed by contract in a well-reasoned, analytically based and systemic manner.”

In other words—*take a hard look at work that is insourced.*

Politics? Fiscal reality? Which?