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Insourcing Policy Receives Backlash

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South Carolina Republican Representative Mick Mulvaney recently expressed his displeasure with the Obama administration's use of insourcing policies, according to FedSmith.

At the Contracting and Workforce Subcommittee hearing on June 23, Mulvaney pointed out that insourcing - the practice of keeping government work in-house for federal employees instead of allowing private sector businesses to bid on it - is having a detrimental effect on small businesses

"I have been approached by several small businesses that have had their work insourced," Mulvaney stated at the conference. "Government agencies are canceling contracts with private sector businesses, taking the work in-house, and often even hiring away the private business' employees. By doing that, the Obama Administration is growing government, hurting small business, and costing taxpayers money."

While the government contends that insourcing is a cost-saving measure, members at the hearing indicated that inconsistent cost-analysis used during the process ended up costing taxpayers more instead of saving them money.

At the conclusion of the hearing, Mulvaney declared that he would send a copy of the transcript to the Office of Federal Procurement Policy for them to review as they finalize the policy.

Federal Computer Week adds that in addition to sending the written testimony, Mulvaney will attempt to get the Small Business Administration involved in the debate.