



## Small Business Exec Testifies on Real Impact of Insourcing

Arlington, Va., June 23, 2011—Inappropriate insourcing has wasted government money and decimated the staff of PSC Board Member Bonnie Carroll's company, Information International Associates, she said in testimony provided to the House Small Business Committee today.

While the federal government has a strategic need to strengthen its performance of inherently governmental functions, the federal acquisition workforce, and other specialty areas where the government must have internal expertise to manage agency missions, "we have observed that decisions to insource are often driven more by arbitrary budget and manpower bogies sent down from the top levels of the DoD or Air Force than by the objectives of enhancing the government's workforce capabilities or true cost savings," Carroll said.

Carroll offered her own company's experience as an example. "Our contract performance has been outstanding as evidenced by our annual evaluations,...our contract prices have been shown to save over 33 percent of previous government in-house costs estimated through the A-76 process," she testified. "Yet, despite these performance metrics we have lost 15 percent of our employees to insourcing activities by the U.S. Air Force over the past eight months."

Carroll's company is a woman-owned small business based in Oak Ridge, Tenn. that performs an array of commercial training and support services for the Defense Department and Labor Department, among others.

"As a corporate citizen of this great country, we are proud of the work we do and are proud to support the important missions of our government," Carroll said. "What we ask is a fair opportunity to compete and a government that makes the right decisions for the right reasons."

The hearing entitled "Insourcing Gone Awry: Outsourcing Small Business Jobs" begins at 10 a.m. in Room 2360 of the Rayburn House Office Building.

**About PSC:** PSC is the voice of the government professional and technical services industry. PSC's nearly 350 member companies represent small, medium, and large businesses that provide federal agencies with services of all kinds, including information technology, engineering, logistics, facilities management, operations and maintenance, consulting, international development, scientific, social, environmental services, and more. Together, the trade association's members employ hundreds of thousands of Americans in all 50 states.