

Outsourcing: Implications for Homeland Security

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What is Distributed Work?

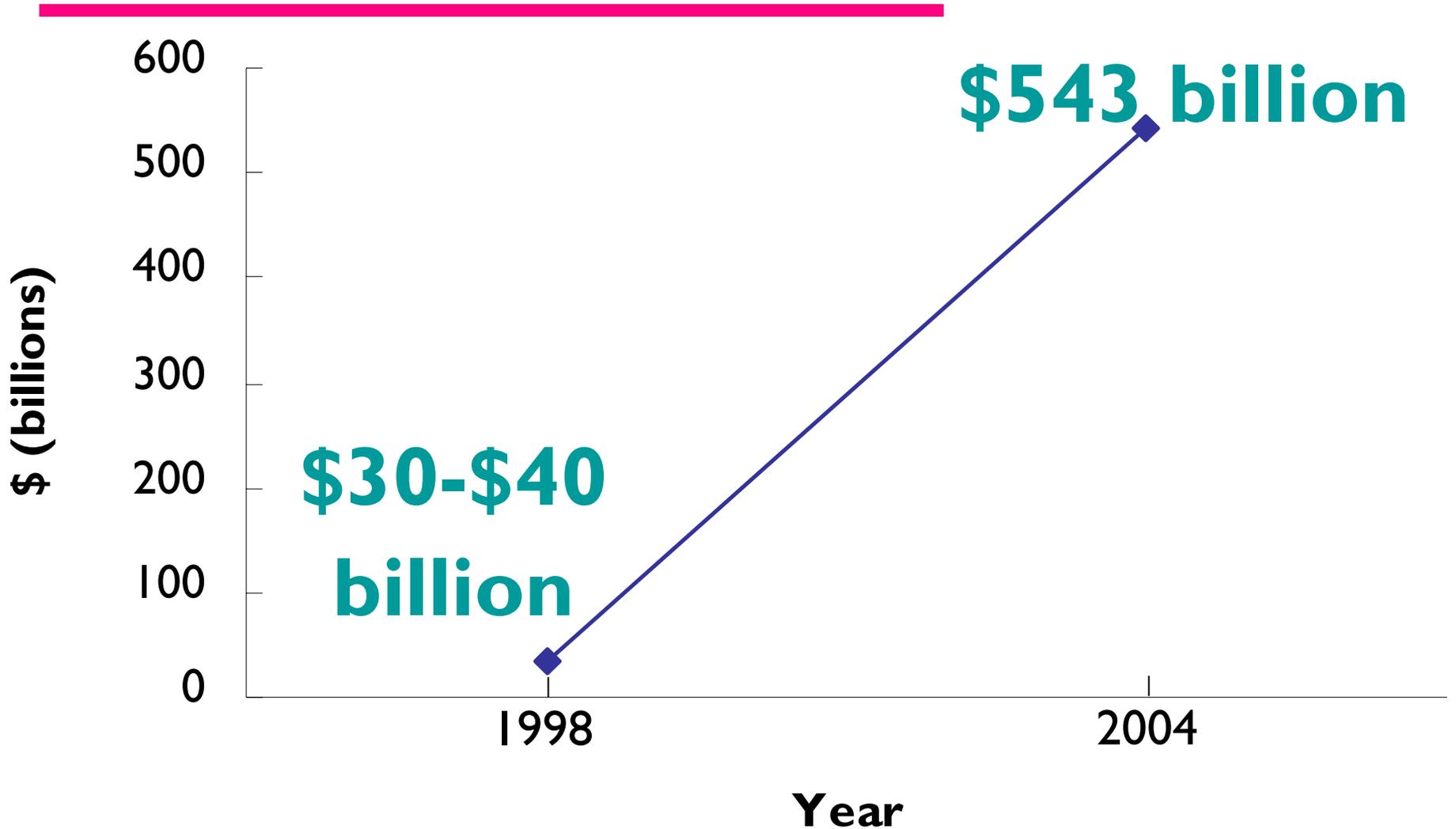
“Work activity conducted by groups or teams of people separated from each other in time and space....”

Outsourcing is a type of distributed work

History of Distributed Work



Global IT Outsourcing Market



Outsourcing Locations



Homeland Security Implications of Outsourcing

“Outsourcing to offshore locations exposes countries to greater risks of many types, such as country or political instability, regional turmoil, unstable economics, poor infrastructure, lack of exposure to Western business culture, and data insecurity.”

– EBS, 2004

Areas of Outsourcing

UNISYS TSA's Operation Safe Commerce

Homeland Security Protection Platform



Visa application processing

E-engineering & aircraft-related IT



Attacks on Outsourcer Locations

Laskhar-e-Toiba (LeT) plotting attacks on IT companies in Bangalore

Targets included:

Wipro, Ltd.

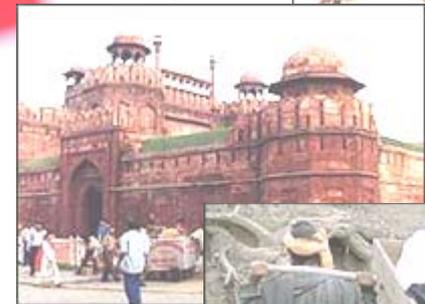
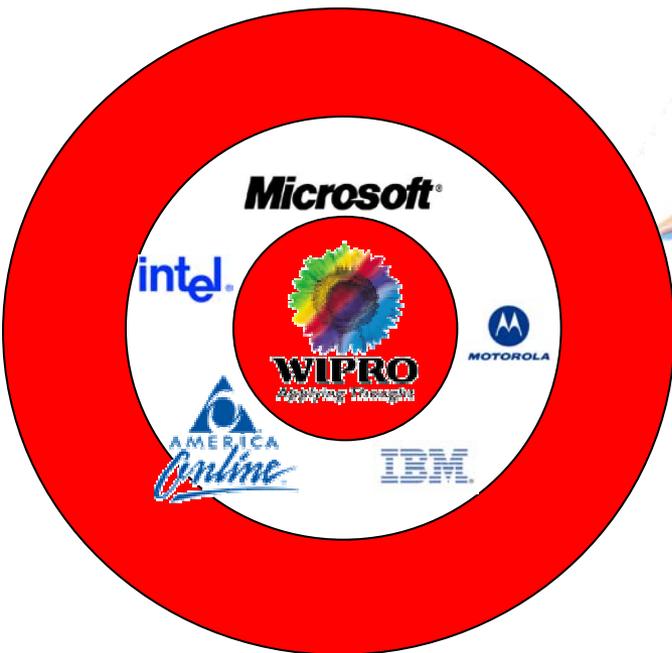
IBM

Motorola

Intel

Microsoft

AOL





Human Resources Outsourcing

- Employee Benefits
- Payroll Administration
- Background Interviews
- Hiring & Firing
- Medical Information
- Social Security & Driver's License Numbers

Outsourcing Combat

- Tasks include military training, logistics, combat & security during conflicts, and intelligence
- Many employees are ex-military special ops
- 24 Private military companies in the US
 - Half awarded contracts by DOD
 - Others are hired by the country
- Foreign Policy by Proxy since Cold War
- International Charter Incorporated of Oregon (ICI) active in Sierra Leone, Haiti, and Liberia

Concerns of Outsourcing Combat

- Few PMCs are held accountable for misdeeds
- Lack of transparency in organizations
- Status of PMC personnel is unclear
- Transfer of special ops training abroad
- PMCs may sell services to foreign countries



Conclusions

- Standardize screening & background checks
- Safeguards to protect corporate & consumer information
- Highly beneficial
- Need to understand & address risks



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