

REIMAGINING GCCs IN INDIA

Unlocking Untapped Potential
for Global Impact and Growth

Face the Future with Confidence®

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Introduction

The Global Capability Centre Landscape and Ambition

Global Capability Centres (GCC's) – also known as **Global In-House Centres (GIC's)** – have evolved into a powerful force shaping global business strategies. **Originally established as cost-saving back-office operations** (e.g., for IT support, call centres or financial processing), today's GCC's are **critical hubs of innovation and value in multinational corporations**. The scale of the GCC phenomenon is remarkable: by some counts, there are over **3,200 GCC's worldwide** – and **India hosts more than half of them**. This growth underscores GCC's **rising strategic role** in companies' global footprints.

India stands out as a global leader in GCC operations. A recent **NASSCOM-Zinnov** report puts **India's GCC count at over 2,100 in FY26**, employing 2.36 million professionals while generating nearly USD 100 billion in revenues. These centres are shifting from execution focused roles to leading the innovation and value creation, and are increasingly central to emerging trends like AI adoption, global capability ownership, and enterprise transformation.*

* <https://zinnov.com/centers-of-excellence/zinnov-nasscom-india-gcc-landscape-2026-report/>



The ambition driving the GCC wave is substantial. By 2025, GCC's are projected to **manage more than 50% of global digital engineering initiatives** undertaken by multinational companies. Businesses increasingly look to their GCC's not just for operational support, but as **innovation engines** – incubating new products and ensuring closer integration with core business strategy.

India's GCC landscape has evolved from a concentration of delivery centres into a network of strategically important business hubs. Bengaluru, Hyderabad, Delhi NCR, Chennai, Mumbai, and Pune continue to anchor this growth, collectively housing the overwhelming majority of the country's GCC operations and serving as critical nodes within global enterprise networks. Over the past decade, organisations across industries have invested heavily in these locations, establishing specialised centres focused on engineering, digital technologies, analytics, finance, research, and business operations.

These investments aren't just about geographic expansion; they are long-term investments in

building global capability, accessing specialised talent and creating new sources of enterprise value. Expectations are rising as GCC's come of age. Leadership teams are looking beyond efficiency metrics and expect these centres to be innovation hubs, to accelerate transformation initiatives, to build resilience, and to contribute significantly to strategic business priorities. The size of investment signals a growing awareness that GCC's are no longer peripheral operations but rather increasingly critical contributors to competitive advantage and long-term growth. As expectations for GCCs evolve, leadership teams are focusing more on driving innovation, enabling enterprise transformation, enhancing resilience, and supporting strategic objectives. Increased investment reflects the recognition of GCCs as strategic assets that drive competitive differentiation and long-term growth.

Tremendous accomplishments to date demonstrate what is possible for future GCC growth. Many organisations – from global banks, technology giants, pharmaceuticals to industrial conglomerates – have **grown their GCC's from a few hundred employees to thousands** over a decade, evolving into **global**

hubs that drive digital transformation and business innovation of the world's largest GCC's in India host **10,000+ high-skilled employees** each, with mandates extending far beyond basic process execution to product development, R&D, data science, and more. These success stories prove that **the GCC model can deliver strategic value at scale** when nurtured with the right vision, leadership, and investment.

However, **how to consistently achieve** that kind of success remains a crucial question. **For every breakout success story, numerous other GCC's plateau or evolve more slowly.** Some quietly remain **under-leveraged and under-integrated** within their parent organisations, delivering cost savings but **not yet reaching their full potential as strategic value contributors.** Others struggle to break out of **legacy roles as "back-office" support units,** occasionally getting overlooked or underutilised. Yet **the potential is enormous:** forward-looking leaders see that GCC's can become **innovation hubs and centres of excellence,** driving competitive advantage in an increasingly digital, talent-constrained world.

Our perspective is that the current moment offers **a new inflection point for GCC's globally.** By doubling down on transformation, global companies can **elevate their GCC's into engines of growth and innovation,** benefiting both the enterprises and their host countries' economies. In the sections that follow, we outline **why this inflection point has arrived, what structural challenges have kept many GCC's from reaching their potential, and a comprehensive playbook to unlock the next wave of GCC success.**



The Reason

Why GCC's are at an Inflection Point – From Back-Office to Value Engine

GCC's have come a long way, shifting from their early days as cost-focused offshore centres to **critical enablers of strategic goals**. Historically, companies created GCC's to centralise back-office work – tasks like **incidental IT support, data processing, routine analytics – primarily to cut costs through labour arbitrage**. The **saving** rationale propelled the first wave of GCC establishment through the 1990s and 2000s, especially in India, Eastern Europe, and other talent-rich, cost-competitive markets.

A significant transformation is underway, with organisations increasingly repositioning GCC's from traditional support functions to strategic centres of value creation and innovation. GCC's have a crucial role in areas like R&D, product engineering, digital transformation, analytics and customer experience. They are expected to work collaboratively with corporate leadership, participate in strategic priority setting and support enterprise-wide innovation initiatives rather than only focusing on predefined execution tasks.

This change, from the perception of operations that are cost-oriented to operations that add value as part of a business unit, has been brought about not just by market dynamics but also organisational imperatives. In an age of rapidly advancing technologies and digital disruption, companies are using global talent centres to gain broader expertise and improve their agility in the business environment. While cost optimisation still holds significance, companies are putting more emphasis on achieving business results and value creation than before. The next stage of GCC's growth is expected to see these centres assume more responsibility for digital engineering, product development, and enterprise transformation. Sign Challenges: The Invisible Barriers

Despite the opportunities ahead, many GCC's still struggle to realise their full potential. In many cases, the barriers are not related to talent availability, but to organisational and structural constraints that limit their ability to create meaningful impact.



- **Strategic Misalignment**

Many GCC's continue to work within very specific and narrow confines, without any linkages to the overall business strategy and priorities. Such a scenario often results in capabilities lying dormant despite the availability of talented people and effective implementation skills. Without having any mandate going beyond process efficiency and cost control, GCC's can be highly consistent but do little to contribute towards innovation and growth.

- **Operating Model Limitations**

Many GCC's that have a conventional approach to operations tend to have a model that is designed around getting work done based on instructions from their corporate headquarters. This approach tends to be inflexible, and the metrics involved are focused purely on efficiency and SLA performance, which can stifle innovation and value-added contributions. The net effect is that such GCC's might exhibit "quiet underperformance," whereby they achieve their cost targets but fail to innovate.

- **Talent & Skills Gaps**

Attracting and retaining talent is a major challenge in today's competitive market. Major GCC hubs like Bangalore and Hyderabad face intense competition for skilled digital professionals and leadership talent. If a GCC doesn't invest in Learning new skills and a advance career path, it may lose people – diminishing its capacity to innovate. Further, gaps in key capabilities (e.g., product management, advanced analytics) can leave GCC's unable to take on more complex, higher-value work streams.

- **Limited Decision-Making Authority**

Global Capability Centres (GCC's), within different organisations, are still constrained by a lack of autonomy and decision-making power. This is due to the fact that a lack of presentation and clear identification of ownership of decisions regarding strategy, products, or investments will reduce their ability to impact business performance. In the long run, this will lead to the development of what is called the "satellite mentality", in which teams rely on the directions of the head office rather than creating value themselves.

- **Perception and Role Evolution**

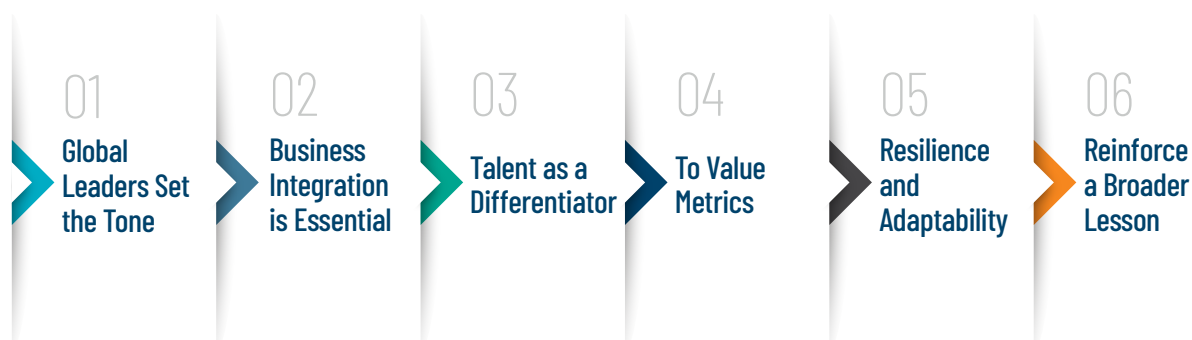
Some GCC's battle dated perceptions within their parent organisations – e.g., seen as mere cost centres or "junior" teams for low-end work. These perceptions can marginalise the centres' contributions in the eyes of global stakeholders. A GCC that was set up years ago for basic tasks may struggle to break free from that image, even as it aspires to do more. Challenges do not equate to "failures", but rather point to areas of opportunity and design improvement. Instead of seeing an underperforming GCC as a failure, forward-looking organisations view it as an inflection point – a chance to reassess and re-imagine the GCC's role as a driver of future growth. An example of this would be a centre that has failed to achieve its revenue impact objectives; instead of criticising the centre for falling short of its goals, it may be appreciated for having a good base (process excellence and cost effectiveness) and then directed towards making high-value contributions like innovation and strategic analysis projects. This is what rethinking GCC strategies is all about.



Key Insights

Transforming
Challenges into
Value Creation
Opportunities

Even among GCC's facing headwinds, we can glean insights from their experiences and from success cases:



- **Global Leaders Set the Tone**

Successful GCC's have strong executive sponsorship and strategic alignment from the parent company's top leadership. **CXO-level engagement** signals the importance of the centre to the whole organisation and paves the way for more ambitious goals. Where such alignment is weak, leaders now see a chance to strengthen it through renewed focus on **shared vision and integrated goals**.

- **Business Integration is Essential**

High-performing GCC's are **embedded into the broader enterprise**, not isolated. For those that have remained on the periphery, companies are recognising the **opportunity to integrate GCC teams in global product roadmaps, innovation initiatives, or digital strategy**. Ensures the GCC is not a "side operation" but a core part of how the company competes globally.

- **Talent as a Differentiator**

Successful GCCs are not just able to attract the best talent but also able to create an environment for it to thrive and grow. In a highly competitive talent marketplace, providing an exciting career path, leadership roles, and access to the latest developments in the GCC would unleash great productivity and creativity. Conversely, where talent has been a limiting factor, companies now see the **path forward through targeted recruitment** of specialised skills, **investments in training, and building a culture of innovation**.

- **To Value Metrics**

A key insight is that **what gets measured gets done**. Historically, many GCC's were measured

mostly on cost savings or operational KPIs.

Leading organisations are **revising performance metrics to emphasise value creation** – for instance, linking GCC outcomes to business growth, customer satisfaction, new product development, or intellectual property creation. This shift in metrics reflects and reinforces the transformation from cost-centre **thinking to value-centre thinking**.

- **Resilience and Adaptability**

The pandemic era revealed the resilient nature of GCC's because such centres served to ensure that businesses were kept running smoothly amid the crisis and underwent digital transformation quickly. It was witnessed how mature GCC's were able to react to the environment quickly and efficiently respond to disruptions in the world. Building on these learnings, many companies are now broadening the scope and responsibilities of their GCC's, recognising them as important contributors to long-term business resilience and enterprise growth.

- **Reinforce a Broader Lesson**

The challenges that have historically constrained GCC's can often serve as powerful levers for future growth. Various organisations have been forced to rethink some of their conventional notions and turn what were previously perceived as restrictions into opportunities for themselves. One such instance is that of geographic diversification, where firms have been turning towards second-tier cities to their advantage. That which was once considered a threat can now be used as an opportunity for gaining more robustness and business value.



Way Forward

A Transformation Playbook for Future-Ready GCC's

Global enterprises are charting a new course for GCC's, recognising that these centres are poised to become core **innovation and value-driving engines**. Achieving this requires a deliberate transformation of existing GCC's **operating models, talent strategies, and leadership engagement**. Below, we outline a **playbook** – a set of strategic shifts – that can help GCC leaders and their parent organisations fully realise the next-**generation GCC vision**:

1. Rethink the Operating Model – from Efficiency to Co-Creation

Moving from process efficiency to value generation and creation means that it is time to revisit governance models, charters, and methods of work such that GCC's take responsibility for business-critical processes, products, and results instead of just focusing on execution. Being better integrated with global business groups allows a more collaborative model where GCC's do not merely execute but help develop and innovate in addition to delivering. **Key elements of this transition include:**

- **Mandate Expansion:** Broaden GCC charters to encompass innovation, product development, and customer-focused outcomes in addition to traditional support activities.
- **Empowered Structure:** Establish leadership roles within the GCC—Empowered

Structure: Establish leadership roles within the GCC—such as a site leader or technology head—with clearly defined decision-making authority, enabling the centre to lead local initiatives while remaining aligned with enterprise objectives and cross-functional teams that connect GCC talent closely with global counterparts, encouraging ongoing collaboration, shared accountability, and alignment on business outcomes.

2. Double Down on Talent & Culture – Build Magnet Hubs of Capability

The success of a GCC is fundamentally built on its people. To become future-ready value engines, GCC's must be talent magnets and incubators.

- **Invest in Skill Development:** Develop effective learning and development programs for emerging areas like AI/ML, digital product management, data analytics, and transformation leadership. Many of the leading GCC companies invest a large share of their annual budgets in capability building, helping to build the advanced skills needed to support innovation, business growth, and long-term competitiveness. Develop effective learning and development programs for emerging areas such as AI/ML, digital product management, data analytics, and transformation leadership.

- **Leadership Development & Local Empowerment:** Develop potential future leaders in the GCC who are ready to take on greater leadership roles on a worldwide level. Encourage leadership exchanges between the GCC and business on the global level to strengthen relationships and build mutual understanding. Increased involvement in decision-making in the business will further solidify local leadership.
- **Attract and Retain Top Talent:** Provide competitive compensation, clear career paths and meaningful work to make the GCC an employer of choice. Highlight examples of staff who have been promoted to regional or international positions as an illustration of the company's commitment to talent development, career advancement, and recognition.

Strong leadership commitment is essential to unlocking the full value of a GCC. We recommend the following actions:

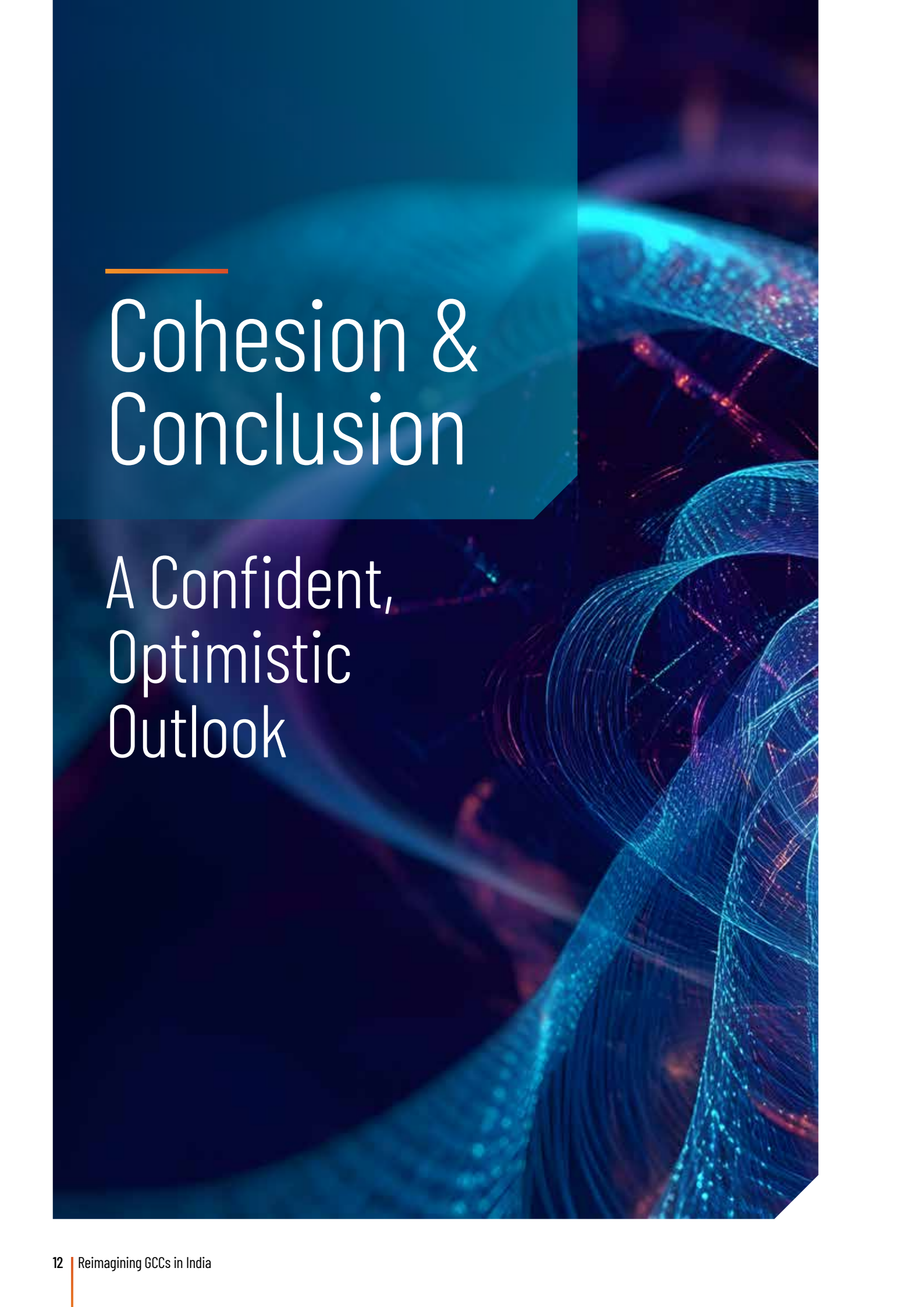
- **CXO Sponsorship:** Ensure a dCXO Sponsorship: Ensure a dedicated executive sponsor at the C-suite level actively supports the GCC's vision, helps remove organisational barriers, and reinforces its strategic importance across the enterprise. This helps strengthen the GCC's mandate and aligns it more closely with business priorities.
- **Strategic Planning Integration:** Integrate GCC planning into strategic business processes. Link GCC goals to higher-level business objectives so that the success of the centre contributes to organisational results. For instance, if innovation is a business objective, GCC could take responsibility for certain transformation programs that align with that objective.
- **Cross-Pollination:** Promote talent mobility and cross-functional collaboration between the GCC and other parts of the organisation. Rotational programs, joint projects, and shared teams help accelerate knowledge transfer, strengthen relationships, and foster a more connected, enterprise-wide culture.

3. Embrace Ecosystem & Future Outlook

Look beyond internal operations – **engage with local innovation ecosystems and plan for the future of work.**

- **External Partnerships:** Encourage GCC participation in *industry forums, academic partnerships, and startup ecosystems*. Many progressive GCC's actively collaborate with local startups or academic institutions (e.g., sponsoring research, hackathons) to infuse innovation and remain at the cutting edge.
- **Emerging Hubs & Models:** Think about exploring newer markets or using a hub-and-spoke structure to capitalise on the development of Tier 2 cities and specialised talent clusters. Such an approach will not only help in diversifying risks but will also make you capable of growing in the future, as many GCC's are being developed outside of major metropolitan centres.
- **Digital-First and Hybrid Work:** Prepare for evolving workforce models by incorporating remote and hybrid work strategies to access talent beyond physical locations. At the same time, strengthen digital infrastructure, collaboration platforms, and cybersecurity capabilities to effectively support a more distributed and digitally enabled operating model.

To ensure long-term success, organisations need to view GCC's as intrinsic parts of their strategic portfolio, not as ancillary functions. It means dealing with issues as an opportunity to improve in the areas of design, governance, and implementation. If talent management is one of the problems, then investments in the development of leadership and culture could be helpful. If the level of innovations produced does not match the expectations, then reconsideration of the priorities, operating model, and success criteria might provide better results. The main idea behind the transformation is tapping into the significant value and capability of GCC's.



Cohesion & Conclusion

A Confident,
Optimistic
Outlook

With a good strategy in place, Global Capability Centres have reached a crucial point in their evolution. These centres, which started out as cost-effective execution machines, have matured into a system of enterprise capability centres that are progressively playing a more significant role in digital transformation and product innovation.

The discussion has evolved from the simple issue of efficiency. More and more attention is being placed on integration, responsibility, and value generation. Organisations are beginning to see GCC's not as peripheral components of their organisation, but rather as key players in terms of strategy, decision-making, and innovation. In many cases, what used to be seen as poor performance is now being seen as untapped potential that can be tapped by means of an appropriate operating approach and leadership style. That said, this evolution will not happen automatically. The organisations that gain the greatest advantage will be those that move beyond traditional GCC models and embed these centres more deeply into their global operating structures. Those that continue to view GCC's primarily as support functions may fall short of realising the full value these centres can deliver.

Key to this evolution is a simple but vital truth:

The future viability of GCC's will depend not on cost-effectiveness but on the calibre of their people, their ability as leaders, and their ability to create value for their businesses.

Organisations that invest in:



will be better positioned to realise greater value from their GCC's, enabling them to play a more meaningful role in enterprise transformation and long-term growth.

Regarding future trends for the GCC model, expectations are that the process will continue into the future. Among the areas that will be key to future developments are:



This evolution will further strengthen the role of GCC's as important contributors to innovation, capability building, and business value creation.

In this future, GCC's will not merely support the enterprise — they will **fundamentally strengthen its resilience, accelerate innovation cycles, and shape global competitiveness**. For host countries, especially technology hubs like India, **the growth of GCC's has become a cornerstone of the innovation economy**, contributing to skill development, job creation, and technological advancement as the journey from **cost-focused support units to front-line innovation leaders** is already underway in many organisations.

In conclusion, Global Capability Centres are no longer hidden engines of efficiency — they are emerging as the visible architects of enterprise growth.

Organisations that embrace this reality and act decisively will transform their GCC's into **true powerhouses of innovation, value creation, and sustained competitive advantage** for the decade ahead.

About Protiviti

Protiviti (www.protiviti.com) is a global consulting firm that delivers deep expertise, objective insights, a tailored approach and unparalleled collaboration to help leaders confidently face the future. Protiviti and its independent and locally owned member firms provide clients with consulting and managed solutions in finance, technology, operations, data, digital, legal, HR, risk and internal audit through a network of more than 90 offices in over 25 countries.

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