



The GCC Doubletake
5 Surprising Trends

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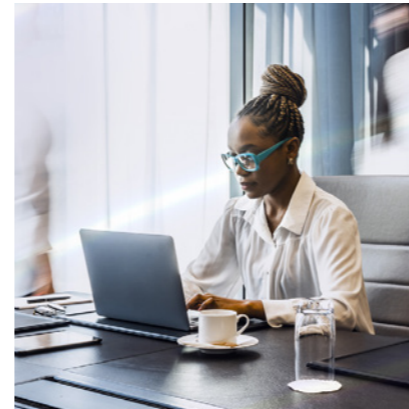
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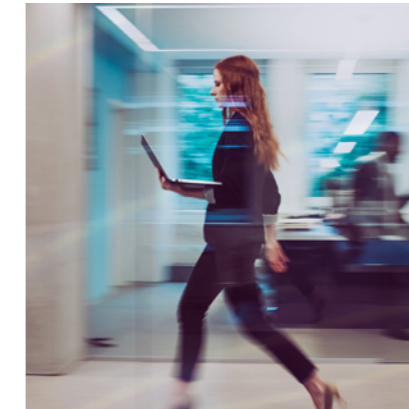
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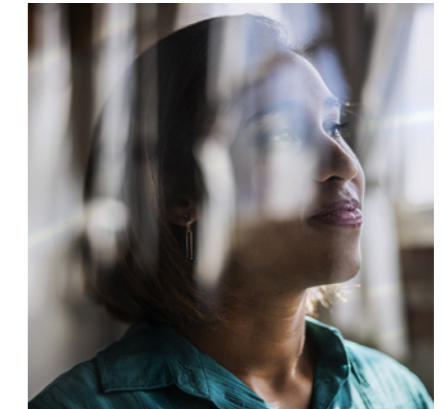
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When making a plan to start the next phase of growth for an organization, opening a new location, finding new workers, and building skills from scratch can be hard. However, the explosive growth of global capability centers (GCCs) offers reasons for pause: what do they know that you don't? Research and client experience have seen these five things make the GCC argument stick.

A man with dark hair and a beard, wearing a blue button-down shirt and a dark jacket, is shown in profile, speaking and gesturing with his hands. He is standing in front of large glass windows that reflect the office interior and show other people working in the background. The lighting is bright and natural, suggesting a modern office environment.

01

**Best-sourcing:
It's AND not OR**

Invested in a managed services partnership? The most successful GCCs exist in an ecosystem that includes partners better together. Companies are 'best-sourcing' by building unique and different innovation capabilities in GCCs in places with a lot of talent. They are also using managed services providers (MSP) to operate and change parts of business processes. Furthermore, the boundaries between GCCs and MSPs have become more fluid as teams work together as one powered by MSP investments in technology regardless of how the work is sourced.

Are companies bringing work they've outsourced back in-house? Our research shows an increased pattern of companies bringing innovation and thought leadership capabilities back in-house as part of a broader transformation. By re-integrating innovation capabilities, streamlining functional operations and building a flexible growth model that leans on managed services and GCCs at different points of an enterprise reinvention journey, they can accelerate reinvention at scale. Finding partners that will offer a full spectrum of services that can be used at the right time and in the right place can unlock value sooner.

For example, for a **South American retailer**, working with their specialized teams and a managed service provider, launched their reimagined e-commerce platform faster. This resulted in a 100% increase in their total merchandise value within the first few months after the store was put into operation.

Over >50% of Forbes Global 2000 companies with GCCs are also part of a larger GBS model. Of those, over 85% have one or more managed services providers delivering IT, corporate functions or consulting services.¹

1/3 Mature GCCs most often have 30% in-house teams combined with 70% augmented teams from service provider partners.¹

40% of companies planning a GCC are collaborating with a managed services company to accelerate their success.²



02 —

**Not your typical
delivery center**

GCCs are hubs of innovation with deep capabilities in data, AI and machine learning. They are more often centers of excellence for R&D, technology innovation and specialized engineering capabilities for companies in the consumer-packaged goods, aerospace, health and pharmaceutical, and industrial equipment industries. Talent needed for these hubs can be found in growth “corridors,” mostly in India but extending to South America, Eastern Europe and the Philippines.

As mature GCCs serve as an extension of the enterprise’s “HQ,” a major shift in talent strategy will be required to support emerging innovation capabilities. Choosing partners that can support in-house teams with a resilient technology core, and intelligent enterprise processes will ensure stable and predictable operations.

68%

of recent hiring for GCCs has been in product, data, analytics, cloud and cybersecurity. For business functions, roles such as marketing and design, IT, and financial planning and accounting are on the rise.¹

2/3

of leaders surveyed intend to use their GCC as data and AI hubs to streamline decision making.²

For example, **a major US airline** used in-house digital engineering capabilities to successfully enhance their mobile app, used by over 5 million passengers daily, resulting in a 12-basis point improvement in customer experience, moving the needle from 3.4 to 4.6 in Appstore ratings.

In another example, **a global pharmaceutical and healthcare company** is improving its Business Operations by using a GCC network. The GCC network is designed to improve its ability to create new medicines, make and deliver life-saving medicines to patients. The GCC’s focus on innovation is supported by smart processes across Human Resources, procurement, Finance and IT. These processes keep the business running while GCC talent speeds up the development of new treatments.

03

Enterprise-ready talent is a cultural cornerstone



Many successful GCCs adopt talent strategies with a strong bias toward recruiting and retaining experienced hires. Why? Experienced leaders have more success building a culture that is innovation-led and outcome-focused. They are more likely to advocate for their brand, be beacons of diversity and inclusion and be cultural ambassadors that attract future leaders and nurture and develop talent to drive future growth.

Experienced talent can form a strong cultural backbone for a GCC with minimal downtime. This intentional hiring strategy allows GCCs to quickly build a robust, multi-faceted workforce that combines industry expertise, product-focused mindsets and a deep understanding of business processes and services. When this is backed by continuous investment in training and augmented with talent from service providers, GCCs are set up for success with a dynamic and high-performing workforce capable of adapting to evolving business needs.

A prime example is **a top athleisure company** actively using Diversity, Equity and Inclusion (DE&I) initiatives to foster a positive work environment. They've moved beyond just talking about DE&I, implementing concrete programs that cater to the unique needs of their diverse employees. The results speak for themselves: their GCC has an extremely low attrition rate (under 2%), positioning them as a leader in employee retention within the technology sector.

< 12%

attrition is experienced by best-in-class GCCs.³

> 1/2

of GCC hires come from other GCCs. About 18% of the people they recruit come from service providers and industry, 27% from product companies.³

> 1/10

GCC hires are new graduates or those with less than 2 years of experience, while 64% of hires bring 4–8 years of experience.³

> 80%

of mature GCCs are investing in building a culture of 'intrapreneurship' by sponsoring in-house and industry-led corporate leadership accelerator programs.¹

04 _
Speedy set-up



GCCs can be fully operational in under 4 months. In 2023, over 50 GCCs were set up in under 120 days—from design to setup and operation.⁴

When done right, setting up a GCC is cost-efficient and quick with lower-than-anticipated barriers to entry. Established local relationships in the markets where GCCs are most viable, and the availability of Gen AI-powered super apps and intelligent platforms that can offer a plug-and-play digital core have changed the time to set up and scale dramatically.

Bringing the right teams together to help compress the timeline and install a robust and proven digital core can offer enterprises a competitive advantage.

<4 months: more than 50 GCCs were set up in less than 120 days in 2023.⁴

For example, **a major pharmaceutical company** successfully scaled their India-based GCC to over 1200 employees in just one year. By using an OPEX model, they expanded their tech and drug discovery capabilities without incurring capital expenditures (CAPEX). This approach enabled predictable and systemic growth, established within the first three months of operation.

Another **hypergrowth tech-bio company** started their GCC journey in less than a month and now has the foundation to scale it over time.



05 —
Fast returns

The value of a GCC can be realized in less than 18 months from the time it is set up.

Putting innovation functions in one place can attract digital-native and special engineering talent. These people can quickly create business value from product development, service improvement and customer satisfaction. And, when capabilities are supported by stable and predictable operations and a robust digital core, it's easy to move from investment to returns on a compressed timeline.

<18 months: value can be realized from set up through to operational stability and scale.⁴

For example, **a well-known logistics company** successfully built a center of excellence for innovation capabilities employing almost 1,000 employees in the first year of operation. This allowed the company to advance its growth agenda and make big changes on a short timeline.

The rapid evolution and strategic advantages of GCCs present a compelling case for organizations looking to innovate and grow. There are a variety of partnership models that can accelerate the mobilization of a GCC with certainty, including assisted build out (ABO), build operate, transfer or acquire (BOT/BOA) and build operate transformation and transfer (BOTT). There are also emerging commercial models to optimize and scale existing GCCs, such as transfer, reinvent and return or captive acquisition, among others.

By leveraging hybrid models, focusing on innovation, hiring experienced talent and achieving fast returns with low-risk, GCCs can significantly enhance business capabilities and drive value. Companies exploring the potential of GCCs who partner with the right service providers and invest in building robust digital cores are well positioned to stay competitive in the global market. Now is the time to act and harness the power of GCCs to propel your organization into the future.



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All non-sourced client stories are based on ANSR and Accenture client engagements.

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About ANSR

ANSR, an Accel portfolio company, is the global leader in helping organizations build, manage, and scale high-performing teams through Global Capability Centers (GCCs). ANSR's tech-driven, full-stack platform offers a suite of AI-powered products and solutions, designed to streamline every aspect of the GCC lifecycle. Leveraging cutting-edge technology, ANSR delivers end-to-end solutions spanning advisory, talent acquisition, workspace design & management, and business operations. Trusted by leading global brands, ANSR has successfully established over 135 GCCs, comprising 180k professionals, with more than \$2 billion in investments across 12 million square feet of workspace.

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