

Rise of the Global Capability Center as a reinvention engine

Contents



04

The intersection of
Global Business
Services and GCCs



07

Putting GCCs
to work as a
reinvention engine



12

Your journey begins:
5 steps to reinventing
with GCCs



16

Unlocking value:
A staged approach



18

Reinventing
Accenture:
Our GCC journey

The age of generative AI promises to dramatically amplify the capabilities and impact all forms of artificial intelligence (AI)—and, in fact, all technology. To realize this potential and thrive in the next decade, companies must **fundamentally reinvent** how they operate.¹ And every company needs the right talent to strategically apply tech, data and AI to transform their business.

This transformation involves rethinking every part of the business—from innovation and customer interaction to product development and research. It's also crucial to reshape company culture and ensure that employee skills develop in tandem with the organization, creating and growing a workplace that maximizes employee potential.

So the question is—how can you cost-effectively access, create and unlock the talent you need, at the scale to truly move the needle for your business?

The answer is Global Capability Centers, which have pivoted to become true business reinvention engines.

Global Capability Centers (GCCs) competitively connect you to a global pool of top-tier talent equipped with the latest technology and training companies need to stay ahead of industry trends, continuously innovate and create sustained growth.

GCCs serve as a centralized global talent resource, accessible to leaders across business functions. For some organizations, GCCs function as an extension of the headquarters, with senior leaders managing global teams and spearheading international strategies. These centers often focus on key areas such as technology innovation, product design, engineering, and essential corporate functions. They can also support corporate functions like legal, real estate, tax and treasury, and shared services.

Today, modern GCCs deliver much more than cost optimization or a better back office—they help companies digitize faster, unlock value across the enterprise and drive growth.



The intersection of Global Business Services and GCCs

Global Business Services (GBS) organizations, often known as shared services, are powerful tools for companies looking to enhance their operations. They help streamline processes from start to finish, increase the use of digital tools, and make systems more efficient through automation, AI, and data analysis. Essentially, GBS transforms how services are delivered by improving them continuously and offering support through integrated help desks, intelligence centers and operational command hubs.

Our research with Oxford Economics shows significant expected growth in GBS usage, especially in marketing (113% increase), supply chain and logistics (88% increase), and transformation capabilities (64%). These areas benefit from deeper insights, faster innovation, and more efficient supply chains.²

Companies can create maximum value and accelerate their reinvention by strategically using both GCCs and GBS. Benefits include not having to start from scratch, immediately gaining access to best-in class talent and services that will improve efficiency and quality and increase innovation.

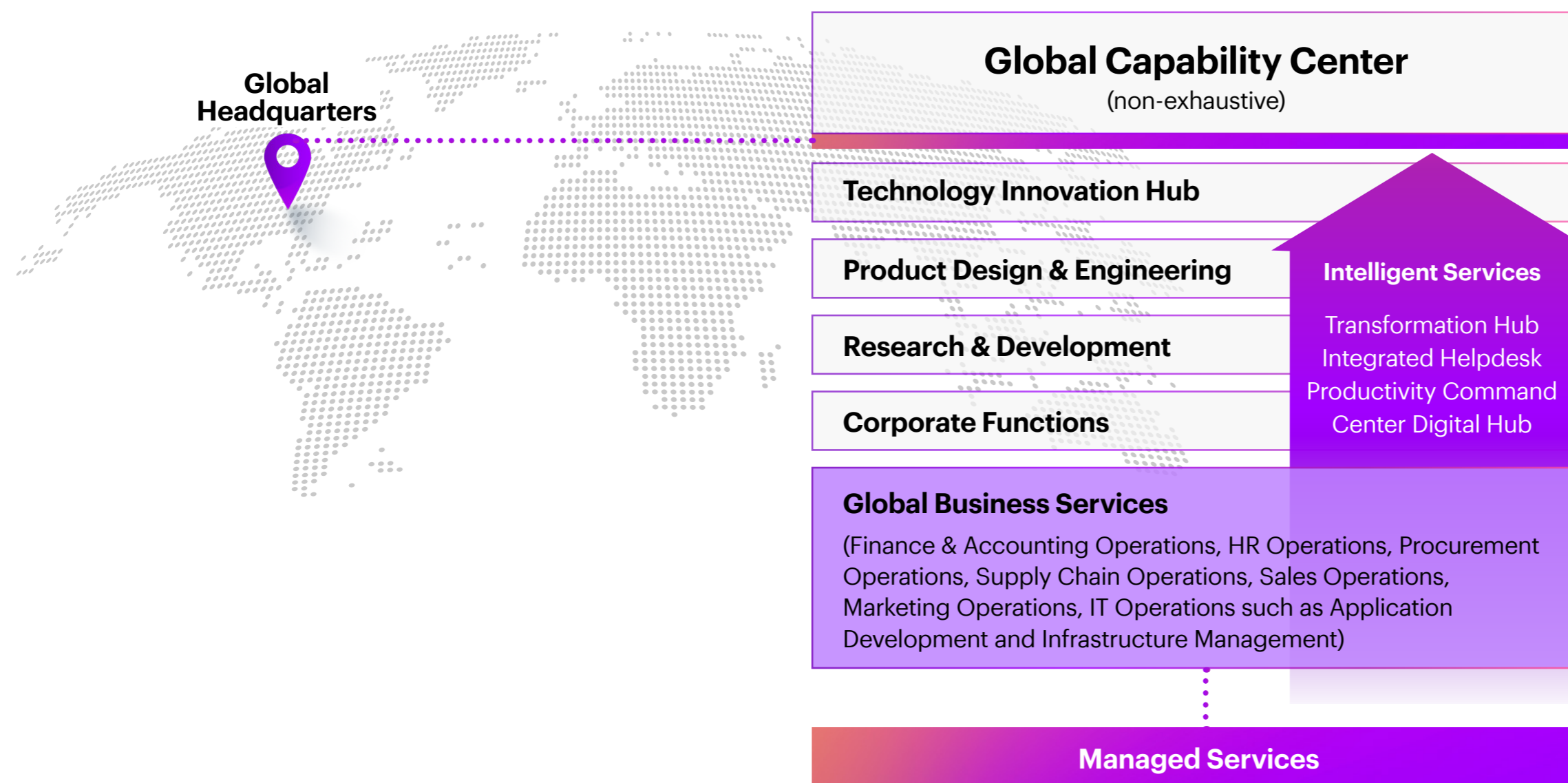
There are different ways to manage this relationship:

- In a landlord model, GCCs operate alongside GBS without overlapping management.
- In an embedded model, GBS manages both the delivery and outcomes of the services provided by the GCC hub.
- In a hosted model, while GBS enhances the transformation capabilities, the business units themselves remain responsible for service delivery and outcomes.



These setups allow business leaders to utilize GCCs to enhance their talent and capabilities through technology without having to start from scratch building governance and service management structures. This not only saves time—it also capitalizes on proven frameworks to drive innovation and efficiency.

A global capability center, most often in India, acts as an extension of Headquarters and provides access to global, digital-first talent at scale



A woman with glasses and a red top is pointing at a computer monitor in a dark room. The monitor displays a code editor with colorful syntax-highlighted code. Another person is visible in the background, also looking at the screen. The scene is dimly lit, with the primary light source being the computer monitors.

**Putting GCCs to work
as a reinvention engine**

GCCs provide a unique advantage. Companies retain strategic alignment and ownership of critical functions and assets, while also building internal capabilities and fostering innovation and operational excellence.

Companies with a true **reinvention** mindset are taking their GCC ambitions even further. They recognize how GCCs deliver greater value when viewed as:

- **Catalysts for reinvention**
- **Foundations for innovation and a strong digital core**
- **Hubs for emerging talent**

As Manish Sharma, CEO of Accenture in North America, says, **“In today’s labor-challenged environment, fully owned and operated GCCs have become a powerful way for global organizations to tap into valuable, diverse talent networks, drive long-term growth and innovation, and ensure agile resilience—all while maintaining their distinct corporate cultures and values.”**



Here's how to pivot and put GCCs to work.

GCCs as catalysts for continuous reinvention

Previously, GCCs aimed to streamline routine services, enhancing efficiency and reducing costs. However, the pandemic highlighted their broader potential. GCCs demonstrated remarkable agility and resilience, showing that teams don't need to be physically close to achieve high performance. Today, executives rely on GCCs for deeper, more strategic support.

Pioneering efficiency and innovation in healthcare

A global pharmaceutical and healthcare company is optimizing business operations powered by a GCC network aimed at transforming its ability to innovate, manufacture and distribute life-saving medicines to patients. The GCC network harnesses digital-first talent at scale to reinvent operations across R&D, IT & digital, manufacturing & supply, commercial, finance, HR and procurement. The realignment will help reduce operational costs and accelerate the development of ground-breaking treatments.

GCCs as foundations for innovation and a strong digital core

For companies aiming to innovate or enhance resilience, having a robust digital core is crucial. GCCs bolster technological expertise across specific areas or develop centers of excellence in core business operations like finance, procurement, and supply chain management. They also pioneer new tech skills that eventually permeate the entire organization.

With GCCs, companies are also reclaiming and revitalizing internal capabilities. Many businesses are bringing back in-house what was previously outsourced piecemeal, often finding themselves short on the necessary talent, technology, and innovative thinking required to modernize their operations. GCCs are built on a foundation of scalable capabilities powered by technological innovations such as AI, supporting the reinvention of work processes.

Several GCCs are now diversifying their technology focus. Some are developing expertise in generative AI, while others are transforming their centers into hubs of tech-driven innovation to play a more strategic role in driving product innovation or leading digital transformation efforts.




GCCs as hubs for emerging talent

While mature markets often face a shortage of highly skilled workers, this isn't the case in many parts of the world. By 2030, it's expected that 606 million skilled workers will be available in 19 countries across Asia Pacific, Africa, and Latin America.³

Driving innovation and operational excellence

A leading global food and beverage company successfully launched a new operations center in India, significantly boosting its efficiency and innovation capabilities. This move taps into India's rich talent pool and specialized expertise, allowing the company to quickly scale up and respond to market demands. Impressively, the center was up and running in just 8 months, cutting the expected setup time by more than half. Looking forward, the center will expand its workforce from 400 to over 1,000, incorporating new global capabilities like managed services, generative AI, and automation. This strategic expansion ensures the company continues to lead in the competitive food and beverage sector.

Through GCCs, companies can quickly harness this vast talent pool. GCCs provide skilled professionals to manage or support hybrid teams in various areas such as Finance, Human Resources, and Procurement. More developed GCCs might leverage this talent to foster innovation and enhance agility on a large scale. Rather than focusing solely on cultivating a workforce of functional experts who require training in new technologies and innovative practices, GCCs are attracting "reinventors"—individuals with deep technological expertise who are also proficient in their specific functions. This approach provides companies with immediate access to the talent necessary for competitive growth and organizational transformation.

A woman with long, wavy brown hair is shown in profile, looking upwards and to the left. She is wearing a dark green top and a necklace with heart-shaped pendants. The background is a blue-toned digital space with binary code (0s and 1s) and a large, dotted arrow pointing towards the top left. The overall mood is futuristic and aspirational.

**Your journey begins:
5 steps to reinventing
with GCCs**

Start by focusing on the people and their roles in advancing the business strategy. Develop a comprehensive talent strategy and innovative operating models that align with the company's long-term objectives. Considering the following factors will help position the GCC to generate sustained value.

01 Set a comprehensive talent strategy

It's crucial for leaders to align GCC functions with business goals. This involves identifying the specific skills and capabilities the GCC should develop or enhance. It may also be useful to determine which functions might be better managed through outsourcing.

This strategy should also include a complete redesign of roles not located within the GCC. Leaders need to evaluate the strategic goals and key competencies of each department by asking:

- Q What pooled resources and capabilities could better help these departments meet their strategic goals?
- Q How will employees who need to be close to customers, production, or business leaders, collaborate with GCC talent?
- Q What are the distractions that could be eliminated, and what activities are part of broader processes and value streams?
- Q What will they achieve with the time and resources that are freed up?
- Q What changes should be made to incentives, communication, and metrics to foster a successful, interconnected work culture?
- Q How can we build joint accountability and trust?

Additionally, the strategy should involve executives who will manage the GCC's setup, operations, and change management. Depending on the GCC's size and objectives, a team of onsite operational experts might be necessary to fulfill these ambitions. It might also be appropriate for C-suite executives to relocate to the GCC, transforming it into a global hub of strategic operations, rather than just a peripheral service center—and underscoring the GCC's role as a critical resource center within the organization.

02 Choose a talent-rich location

Our findings show that 30 countries hold 91% of the world's highly skilled workforce. A significant portion of these professionals (62%) are based in the Asia Pacific, Africa, and Latin America, with projections indicating an increase to 67% by 2030.⁴

India stands out as an especially attractive option. The number of employees in Indian GCCs is expected to double in the next three years, reaching over three million. These centers are set to occupy over 50 million square feet of office space in India by next year.⁵

However, all countries rich in skilled talent have their benefits. A key advantage—the local workforce's eagerness to join multinational companies. Our research indicates that 56% of highly skilled workers prefer multinational companies as employers, a trend that is even stronger among the younger generation.⁶ This suggests a growing pool of eager, skilled professionals over time. In contrast to mature markets, where specialized talent is often scarce, these emerging markets offer a vast and growing supply of skilled workers. For instance, while there are approximately 7 million Science, Technology, Engineering, or Mathematics (STEM) professionals across the European Union⁷, India graduates approximately 2 million new STEM professionals every year.⁸



03 Build your digital core

The backbone of any successful GCC is its digital core. Leaders need to focus on building or enhancing technical capabilities that align with the organization's broader goals or its journey towards transformation. Continuous investment in technology is essential, not just for improving internal operations within the GCC but also for boosting digital skills and capabilities across the entire company.

The digital core is crucial for two main reasons. First, technology is reshaping all types of work, particularly within GCCs. Second, GCCs are evolving beyond traditional roles to become centers of innovation, driving product development, technological advancements, and digital transformations. It's essential that leaders equip GCCs with the latest technologies so the team can successfully execute strategic initiatives.

04 Promote cross-functional collaboration

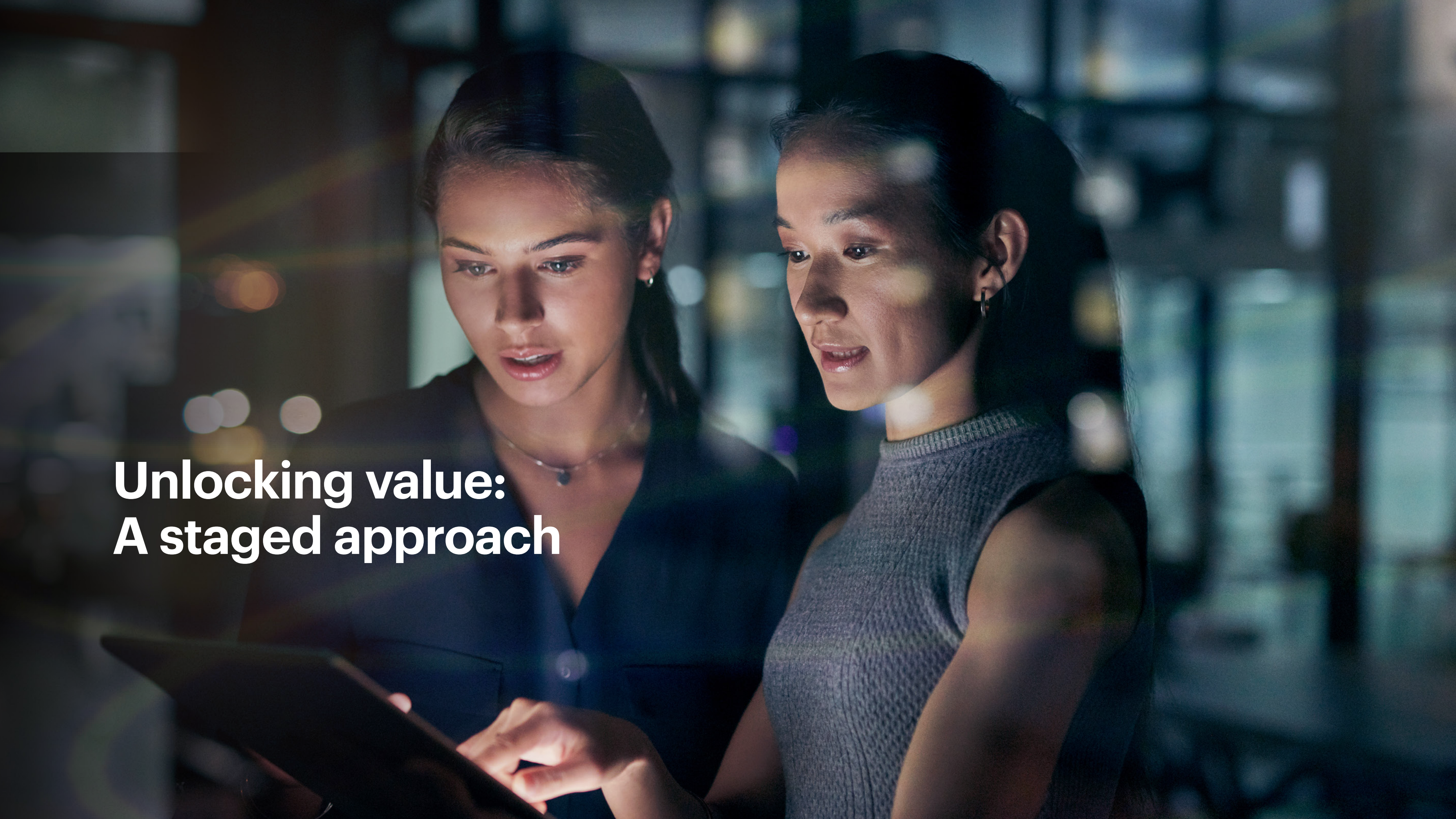
Many organizations are hindered by silos that focus solely on functional excellence, which can obstruct broader strategic outcomes like integrated business planning and net revenue management. GCCs break down these barriers by fostering agile, cross-functional collaboration that integrates data, technology, and business processes. This approach unlocks strategic outcomes in a multidisciplinary way, enhancing overall business performance.

05 Connect your culture

Cultural challenges have often prevented companies from achieving resilience and growth. However, GCCs can play a pivotal role in driving a cultural reset—they demonstrate that organizational culture isn't confined to a specific space or place.

Omni-connected cultures—which ensure that employees, regardless of their location, are better off—have been shown to generate a 7.4% increase in revenue growth.⁹ Successful GCCs create omni-connected experiences that not only enhance personal satisfaction but also drive significant business results. They foster vibrant, collaborative environments and provide meaningful opportunities that align with the organization's core values. In some instances, GCCs reinforce an existing culture that distinguishes the company. In others, they introduce new technologies and processes that refresh the existing culture, such as standardizing processes in a culture previously characterized by personalized services.

For GCCs to effectively extend or enhance a company's culture, it's crucial for leaders to actively involve their teams. Engaged employees are more likely to navigate challenges successfully. Leaders should view change management as a fundamental skill, essential not just within the GCC but across the entire organization. The vision for the GCC should resonate on a personal level, linking individual purposes with the broader objectives of the change.

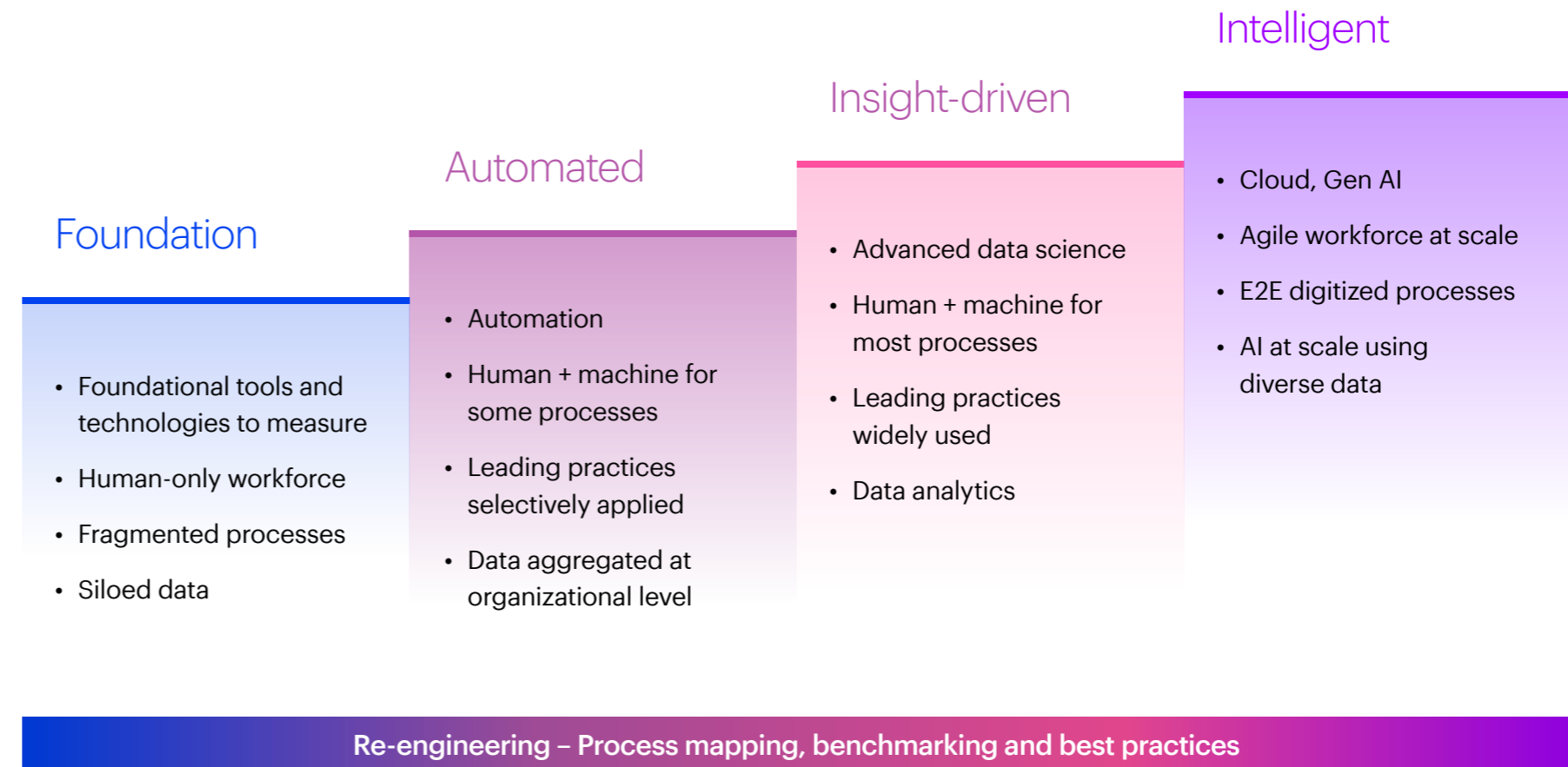
A photograph of two women in a dark, bokeh-lit environment, possibly a city at night. They are both looking intently at a tablet held by the woman on the left. The woman on the left is wearing a dark blue top and a necklace, while the woman on the right is wearing a grey sleeveless top. The background is filled with out-of-focus lights, creating a soft, atmospheric glow.

**Unlocking value:
A staged approach**

These techniques transform work and create value through GCCs, all powered by proprietary platforms:

- **Measurement:** Measure the work and identify what work is measurable, repeatable, transactional, and predictable (MRTP) in nature.
- **Automation identification:** Automate all MRTP work using RPA and identify other work that can be automated using AI and/or Gen AI.
- **Re-engineering:** Perform As-Is and To-Be process mapping using benchmarks and best practices. This includes identifying the right size, right location, right pyramid, as well as end-to-end process engineering.
- **Data, analytics, and AI:** Organize data so that you can use data, analytics, and AI to generate insights.
- **Intelligent work allocation:** Identify gaps in utilization and cross train workforce to effectively deploy across organization.

This transformation is typically a multiyear journey in stages. These are not necessarily sequential.





Reinventing Accenture: Our GCC journey

We believe the most successful companies in the world in the next decade will use tech, data, and AI to reinvent every part of their enterprise. That includes Accenture.

We know the transformative power of GCCs because we've seen it firsthand. We've dramatically improved our internal operations by simplifying and unifying processes across our worldwide offices. This effort was spearheaded by our leadership teams in corporate functions and operations, who focused on redesigning essential business processes and making full use of technology, especially data, analytics, and AI. As a result, we established a unified global business services team that operates centers in Argentina, the Philippines, and India.

Our foundation is our digital core. Over a decade ago, we set out to become a truly digital-first company. We successfully rotated our business from less than 20% digital cloud and security to 70% in just six years. Today we are 95% in the cloud.

Connecting everything in the cloud and democratizing our data allows us to apply advanced technologies like AI and machine learning to identify patterns and solve problems that can't be seen within functional silos. This also opens more possibilities for Gen AI to accelerate economic value and drive business growth while also generating more creative and meaningful work. For example, we wanted to be early adopters of Microsoft Copilot because we wanted

to unlock personal productivity for our people.

We have the most talented people in the world, and every minute of productivity that they get, they're able to focus more on clients. The first hundred users of Copilot told us that they saved at least 30 minutes a day and sometimes up to three hours. That means lots of talented people are doing even more to help our clients reinvent.

We now run the largest GCC in the world—and the benefits of this transformation are substantial. We achieved \$200 million in cost reduction in procurement by managing third-party relationships more effectively, decreasing the costs of business development by 67%, and reducing the time spent on manual journal entries by 70% during crucial financial closing periods. Additionally, the time needed for forecasting and purchasing was cut by half. Impressively, over 30% of these improvements were driven by initiatives involving data and AI. These changes have not only saved us \$2.0 billion, but also made our operations more agile and created more and better career opportunities for our people.

Reinvention on the rise

For senior business leaders looking to propel their companies into a future dominated by AI and advanced technologies, investing in GCCs offers a clear path to scaling transformation and unlocking unprecedented business value.

The rise of GCCs as reinvention engines marks a pivotal shift in how companies can harness talent and technology for transformative growth. By centralizing talent and resources, these centers enable companies to swiftly adapt to market changes, drive continuous innovation, and maintain competitive advantages.

That means modern organizations need a modern GCC.

As Julie Sweet, Chair and CEO of Accenture, says, **“To succeed in the next decade, organizations need to reinvent every part of their enterprise with technology, data and AI—and access, unlock and create great talent. Modern GCCs are a smart, powerful way to accelerate this strategy.”**



Authors



Manish Sharma
Chief Executive Officer –
North America



Muqsit Ashraf
Group Chief Executive –
Strategy



Paul Jeruchimowitz
Accenture Strategy &
Consulting
Global Capability Center
Services Lead



Arundhati Chakraborty
Global Lead – Delivery and
Transformation, Operations

References

1. Accenture, [“Reinvention in the age of generative AI”](#), 2024
2. Accenture Intelligent Business Services Research with Oxford Economics, 2022
3. Accenture, [“Refocus your talent lens: Abundance awaits”](#), 2023
4. Ibid
5. Cushman & Wakefield, CBRE
6. Accenture, [“Refocus your talent lens: Abundance awaits”](#), 2023
7. European centre for the development of vocational training, [VET dashboard](#), 2024
8. NASSCOM, [India tech industry digital talent demand and supply analysis](#), 2023
9. Accenture, [“From always connected to omni-connected”](#), 2022

About Accenture

Accenture is a leading global professional services company that helps the world's leading businesses, governments and other organizations build their digital core, optimize their operations, accelerate revenue growth, and enhance citizen services—creating tangible value at speed and scale. We are a talent and innovation led company with 742,000 people serving clients in more than 120 countries. Technology is at the core of change today, and we are one of the world's leaders in helping drive that change, with strong ecosystem relationships. We combine our strength in technology with unmatched industry experience, functional expertise, and global delivery capability. We are uniquely able to deliver tangible outcomes because of our broad range of services, solutions and assets across Strategy & Consulting, Technology, Operations, Industry X and Accenture Song. These capabilities, together with our culture of shared success and commitment to creating 360° value, enable us to help our clients succeed and build trusted, lasting relationships. We measure our success by the 360° value we create for our clients, each other, our shareholders, partners, and communities.

Visit us at www.accenture.com

About Accenture Research

Accenture Research creates thought leadership about the most pressing business issues organizations face. Combining innovative research techniques, such as data science led analysis, with a deep understanding of industry and technology, our team of 300+ researchers in 20 countries publish hundreds of reports, articles and points of view every year. Our thought-provoking research developed with world leading organizations helps our clients embrace change, create value, and deliver on the power of technology and human ingenuity.

For more information, visit www.accenture.com/research

Disclaimer: This content is provided for general information purposes and is not intended to be used in place of consultation with our professional advisors. This document refers to marks owned by third parties. All such third-party marks are the property of their respective owners. No sponsorship, endorsement or approval of this content by the owners of such marks is intended, expressed or implied.

Copyright © 2024 Accenture. All rights reserved. Accenture and its logo are registered trademarks of Accenture.