



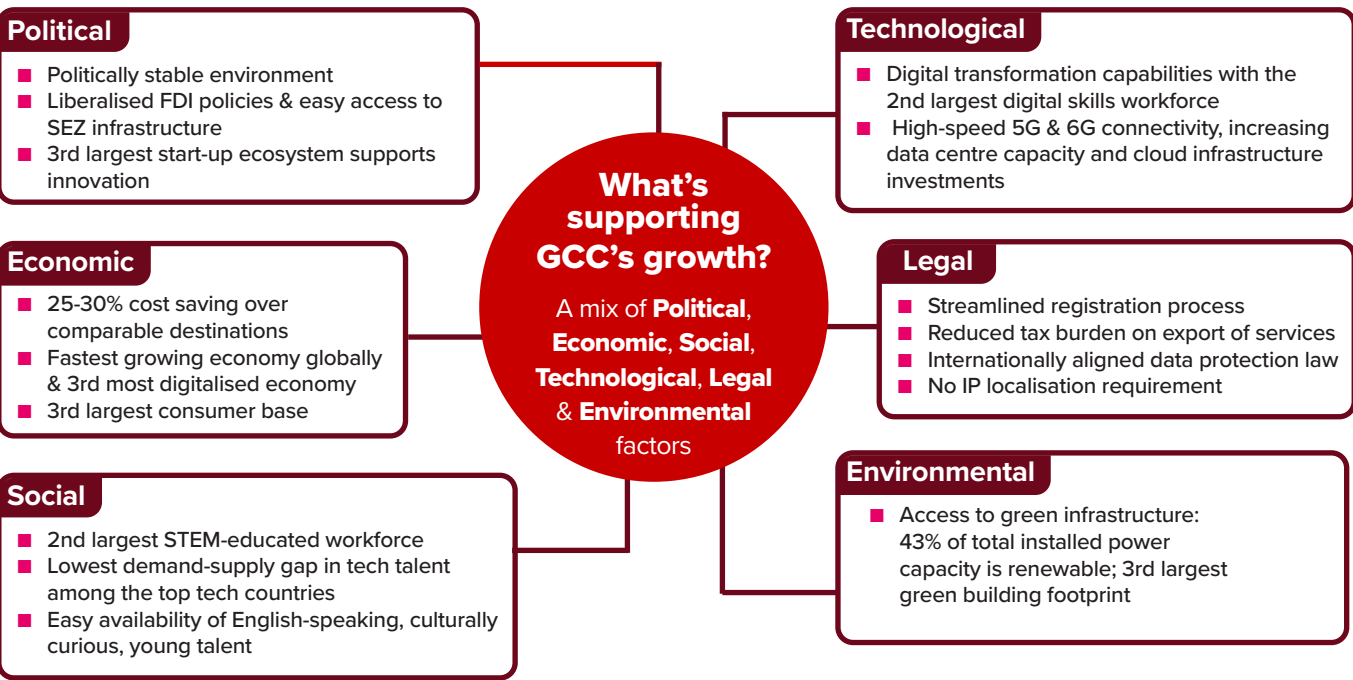
Executive summary.

Global Capability Centres (GCCs) in India have evolved from back-office support hubs to global value creators – now leading innovation, technological advancements, and research and development for global corporations.

An offshoot of the Global Business Services (GBS) model, the positioning of GCCs within shared services is fluid and evolving. Sometimes called ‘global in-house centres’ (GICs), ‘second headquarters’ or ‘enterprise innovation hubs’, in India GCCs play a key role in managing global operations, working closely with teams across the world.

GCCs boost economic growth by creating jobs and driving services exports, being forecast to contribute 2% of India's GDP and generate 2.8m jobs by 2030 (RBI n.d.). The surge in services exports since 2022 was partially attributed to GCCs (Bloomberg 2023). In FY24, GCCs generated approximately US\$64.6bn in export revenue: a 40% increase from US\$46bn in FY23; 20,000 global leadership roles are projected to be based in India by 2030.

Figure ES1: A skilled workforce (especially tech-related), expansion into tier-II cities, favourable government policies and improving infrastructure are fuelling India’s rise as the world’s front office.



- A politically stable business environment supported by liberalised foreign direct investment (FDI) policies and a thriving (third-largest) start-up ecosystem.
- Cost advantage, strong economic fundamentals, availability of basic infrastructure, along with the third-largest consumer base provide economic incentives.
- A young, science, technology, English and maths (STEM)-educated, culturally curious population provides the required social infrastructure.
- Digital transformation capabilities, access to IT and telecom infrastructure support technological advancements.
- Simplified registration, export incentives, progressive data protection laws and no Intellectual Property (IP) localisation requirement provide legal support.
- Easy access to sustainable and green infrastructure provides the required environmental pull.



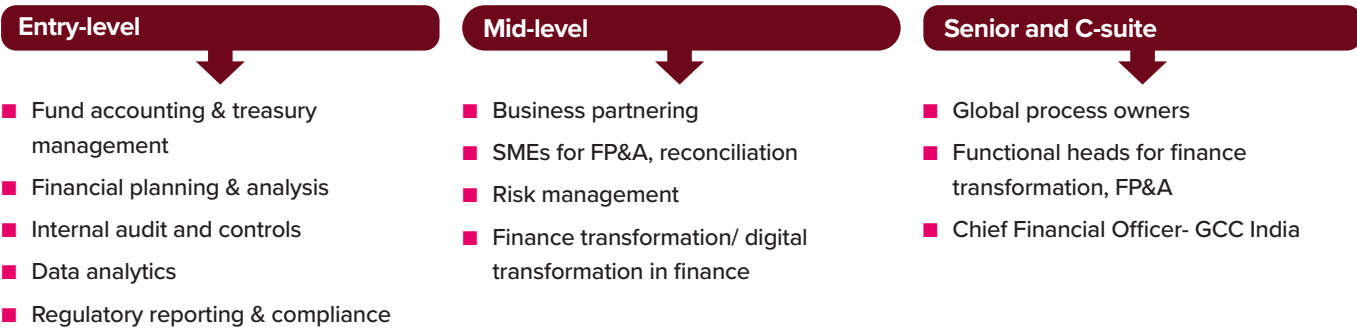
Running a successful GCC requires core business skills, plus cross-cultural competencies at individual and organisational levels.

Alongside the procedural requirements pre/during set-up, eg defining the legal structure, identifying the right location and understanding the local labour laws, GCCs need to focus on hiring, building and retaining talented people with strong cross-collaboration skills. They need strong leadership and dedicated teams: ‘technical talent’ for the roles/functions to be run by the GCC; functional experts to manage talent acquisition, regulatory aspects, security risks and compliance, and the digital roadmap. Cultural integration across global and local teams is key to success.

Opportunities for finance professionals are immense

Finance roles in GCCs have shifted from doing basic transaction-focused accounting to creating value for the organisation through process improvement and cost transformation initiatives. Opportunities abound in business partnering, procurement, reporting, planning and analysis. While entry-level roles focus on data analytics, financial planning and analysis (FP&A) and compliance management, mid-level roles are shifting to process improvements and driving transformation (Figure ES2).

Figure ES2: Examples of finance roles in GCCs





‘Visualising the future and staying ahead are key to thriving, and professionals have a key role in enabling growth.’

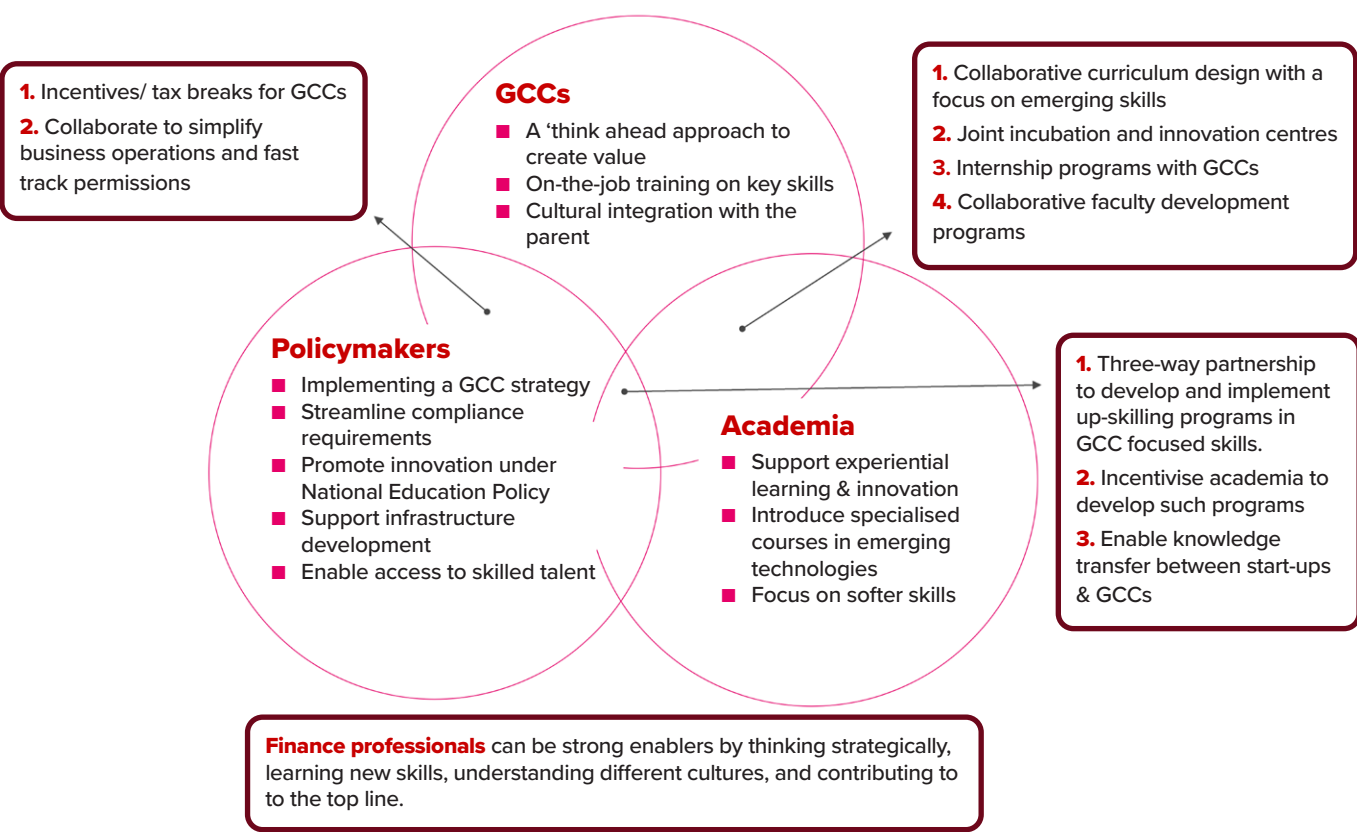
To succeed in an increasingly global economy, finance professionals need a combination of knowledge, behavioural and solution-centric capabilities.

GCCs hire professionals with a mix of these abilities: understanding the finance function and specific industry vertical/ domain; familiarity with data and digital tools; commercial and critical thinking to support decision making; and ability to collaborate and communicate with global teams.

Collaboration among state and non-state actors is key to managing risks and maximising momentum.

GCCs in India are moving beyond support to leadership and a ‘strategic partners/co-pilot’s’ role with an increasing share in decision making. But with the shift from back-end to integration with main operations, GCCs grapple with management and governance-related issues. Skill gaps remain, along with wage inflation, contributing to a high attrition rate. Policy and regulatory challenges stem from inconsistent interpretations of tax laws and complex compliance procedures. Geopolitical headwinds encouraging nativist instincts add further complexity.

Figure ES3: GCCs, policymakers and academia need to work together to sustain momentum



To sustain momentum, India needs a comprehensive, centralised GCC strategy. Further support from policymakers could include promoting innovation, creating skilling initiatives and streamlining regulations (**Figure ES3**). For organisations, the need to demonstrate return on investment is a major impetus for growth and therefore to create value, GCCs must continue to

innovate. As GCCs operate in close alignment with the parent company, cultural integration with that is key.

In collaboration with policymakers and GCCs, academics must support upskilling to create a strategic advantage. Visualising the future and staying ahead are key to thriving, and professionals have a key role in enabling growth.