



AI-First GCCs: Our Vision to Redefine Global Innovation First GCCs

FEATURING RESEARCH FROM FORRESTER

Unleash The Potential Of Your Global Capability Center



INTRODUCTION

Global Capability Centers (GCCs) stand at a pivotal crossroads. Traditionally viewed as cost-efficient operational hubs, GCCs are now poised to transform into engines of strategic innovation and enterprise value. According to this Forrester report *Unleash the Potential of Your Global Capability Center*, the evolution is unmistakable and recognizes there are fundamental guiding principles and attributes that evolve a GCC from a low-cost operations center to a strategic office. It highlights that for GCCs to step into high-value functions like R&D, innovation, and a center of specialized talent, it needs to build with an approach of being one with the enterprise, organize teams that drive agility and collaboration, and leverage partners to prove success in complex and technology initiatives.

EdgeVerve aligns with this perspective but extends it: while talent and specialized capabilities are essential, AI is the multiplier that unlocks scalable value, eliminates linear growth constraints, and repositions GCCs as adaptive, autonomous, and intelligence-driven hubs of enterprise transformation. The future of GCCs will be fundamentally defined by AI-first platforms, models, and frameworks. Without AI as the cornerstone, GCCs risk stagnating, failing to transcend incremental value creation, and forfeiting their ability to lead enterprise transformation. Conversely, GCCs that embrace AI-first architectures, powered by unified platforms can bypass traditional maturity stages, emerging as dynamic, intelligence-powered catalysts for innovation. This conviction forms the foundation of EdgeVerve's vision for AI-powered GCCs.

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AI AS THE DEFINING CATALYST FOR GCC TRANSFORMATION

Forrester's four-stage GCC maturity model—spanning basic cost-saving operations to strategic global innovation hubs—underscores the growing complexity of modern GCC mandates. Yet, as the industry evolves, many greenfield GCCs are bypassing traditional operational roles altogether, jumping directly into advanced R&D and innovation initiatives. EdgeVerve identifies AI as the accelerator enabling this leap, positioning AI as the critical catalyst for GCCs to achieve strategic relevance from day one.

EdgeVerve AI Next platform for instance, integrates predictive AI, generative AI, agentic AI, workflow automation, data harmonization, and digital workforces into a unified ecosystem. This platform empowers GCCs to seamlessly unify operations across back, middle, and front offices, accelerating decision-making, and embedding intelligence into every layer of enterprise activity. By adopting an AI-first architecture supported by a unified platform foundation, GCCs transcend traditional productivity enhancements to become agile ecosystems of continuous learning and value creation.

DATA INTELLIGENCE: THE NEW CURRENCY OF GCC COMPETITIVENESS

This Forrester report identifies data and analytics as the most sought-after services sourced through GCCs—which EdgeVerve believes is a reflection of organizations' strategic need to extract direct value from their data assets. At EdgeVerve, we recognize that data is the currency of AI, propelling next-generation competitiveness for GCCs.

That is why, with EdgeVerve AI Next Fabric, GCCs gain access to robust data harmonization and orchestration capabilities. This foundational layer enables GCCs to integrate, cleanse, contextualize, and operationalize enterprise data at scale, transforming raw data to feed into AI models and drive actionable intelligence. Beyond enhanced reporting, this enables a virtuous cycle where timely data feeds AI models, ongoing feedback continuously improves model accuracy, and increasingly precise insights drive better actions across the enterprises.

UNIFIED AI-DRIVEN OPERATIONS: ELIMINATING FRAGMENTATION, ELEVATING OUTCOMES

Traditional GCCs often struggle with fragmented systems, manual workflows, and siloed operations that dilute their strategic impact. To address this, EdgeVerve has introduced Operations & Service Management (OSM), an curated solution for GCCs/GBS powered by EdgeVerve AI Next platform. OSM addresses business operations' inefficiencies through a unified AI-driven architecture. This Agentic AI-powered offering enables intelligent, enterprise-wide orchestration across automation bots, AI agents, and human experts that consolidates critical capabilities—including smart work allocation, integrated service and case management, workforce optimization, exception handling, and real-time dashboards—into one a single, seamless ecosystem.

By reimagining and embedding AI across GCC operations, EdgeVerve transforms GCCs from process-dependent entities into agile, intelligence-driven hubs that prioritize innovation and value creation, matching digital-native enterprises. This shift enables GCC teams to focus on high-impact initiatives like design, R&D, and strategy while AI takes over repetitive, transactional tasks.

STRATEGIC PARTNERSHIPS: ACCELERATING AI-FIRST GCCs

Forrester emphasizes the importance of partnerships in accelerating GCC maturity and capability-building. EdgeVerve amplifies this insight through its AI-first co-creation model, combining Infosys' global delivery expertise, deep domain knowledge, and the AI Next platform to rapidly deploy scalable AI solutions. This approach ensures that GCCs are not merely modernized but fundamentally transformed into AI-native, high-impact innovation centers.

Through collaborative partnerships, GCCs gain access to industrial-scale AI capabilities, measurable outcomes, and accelerated paths to maturity.

GCCs AS AI-NATIVE INNOVATION ENGINES

The defining line between future GCC leaders and laggards will be that GCCs that fail to evolve beyond operational mandates risk irrelevance in the face of accelerating enterprise demands. At "EdgeVerve", we believe that GCCs that could boldly rewire their service models around AI will not merely remain relevant—they will redefine their strategic role as the enterprise's most valuable asset.

While this report, provides the strategic roadmap to transform GCCs, AI truly provides the acceleration for it to do so. Having the right scalable, domain specific AI agents and automation that runs on a unified platform (vs.fragmented systems) will enable GCCs to build the strategic engine it needs to be at the forefront of global innovation.

Unleash The Potential Of Your Global Capability Center

GCCs Are Evolving From Cost-Cutting To Sustained Innovation

July 8, 2025

By Ashutosh Sharma, Bill Martorelli with Frederic Giron, Arjun Kalra, Bill Nagel

FORRESTER®

Summary

To power their operations and thrive in today's fast-paced digital landscape, organizations need the right technical talent. This pursuit of expertise has propelled global capability centers (GCCs) in talent-rich regions to the forefront as a strategic solution. But how can you ensure that your GCC delivers maximum impact? Is it merely about cutting costs by hiring tech teams in lower-cost locations, or is there an opportunity to leverage GCCs as engines of business innovation and differentiation? This report provides actionable insights that will transform your view of and approach toward GCCs and help you drive lasting value.

GCCs Are Key To The Success Of Your Business

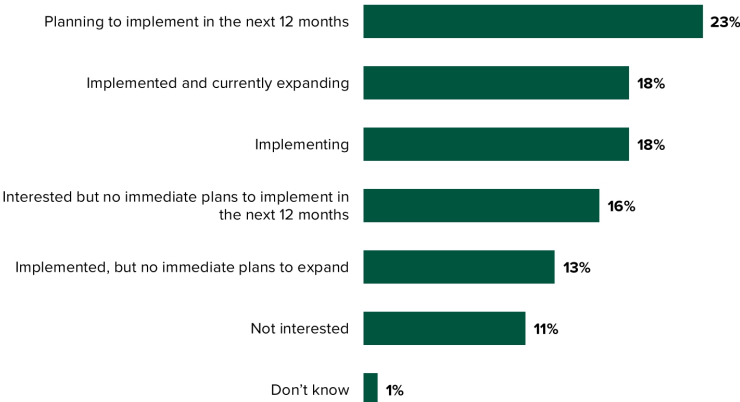
Global capability centers, aka global in-house centers, have become indispensable to multinational corporations by driving innovation, operational efficiency, and access to a diverse, high-quality, cross-border talent pool. India is the world's [leading GCC hub](#); the number of centers there is expected to jump from 1,700 in early 2024 to over 1,950 in 2025 and employ nearly 2 million professionals. GCCs are also undergoing a strategic shift from addressing traditional back-office functions to multifunctional hubs integrating IT, engineering R&D, and digital transformation capabilities. Among services decision-makers, 23% say that their firm plans to implement a GCC in the next 12 months; a further 16% are interested in doing so (see Figure 1). This is on top of the 18% that are currently implementing a GCC and 31% that have already implemented one. We expect this trend to continue for the next three to five years because of strong fundamentals:

- **Firms are adopting GCCs with the right expectations.** Firms are moving beyond cost as the primary reason for GCCs (see Figure 2). Services decision-makers more often cite building higher-end R&D and innovation capabilities, accessing high-quality talent, leveraging the global delivery model to improve business operations, improving productivity, and gaining workforce flexibility than cost savings as key drivers for adopting an in-house center.
- **AI is driving services demand.** GCCs enable firms to tap skills that are difficult to find, much less scale, domestically. Services decision-makers most often say that their firm plans to source data and analytics and security services in their GCCs (see Figure 3). This reflects a strategic need for direct control over value generation from critical data assets, keeping data privacy and cybersecurity risk mitigation in mind. While important, core IT functions like enterprise app support and application development have increasingly become table stakes.

Figure 1

Nearly Three In Four Firms Have Implemented A GCC Or Plan To Do So Soon

“What are your organization's plans to adopt your own offshore shared-service/in-house center in addition to outsourcing IT services to third-party service providers?”



Base: 1,306 services decision-makers
Source: Forrester's Business And Technology Services Survey, 2024

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Figure 2
Gaining Key Skills And Capabilities To Improve Operations Are Top Drivers Of GCC Adoption

“What are the key drivers for your organization to adopt an in-house center?”



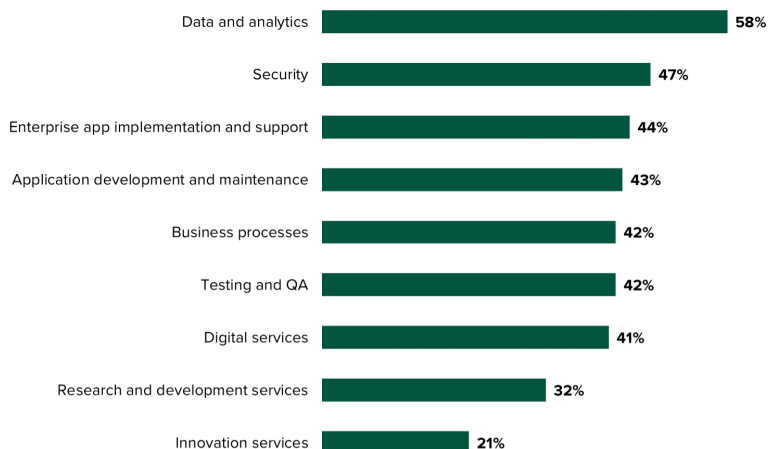
Base: 942 services decision-makers whose organization has implemented, is implementing, or plans to implement a global in-house center
Source: Forrester's Business And Technology Services Survey, 2024

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Figure 3

Firms Most Often Plan To Source Data And Analytics Services From GCCs

“Which of the following services does your organization plan to source from your in-house center?”



Base: 1,306 services decision-makers
Source: Forrester's Business And Technology Services Survey, 2024

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GCCs Operate At Multiple Maturity Stages

GCCs as business operating models have evolved through several stages, starting as low-cost talent centers but now functioning as highly capable global hubs that set their own goals and outcomes (see Figure 4). The India Technical Center of a US-based manufacturer known for its plumbing products evolved over time and now takes the lead across the firm's global business in areas such as product development. A GCC typically has services and functions of varying maturity that coexist within a single setup. We broadly classify this maturity in four stages:

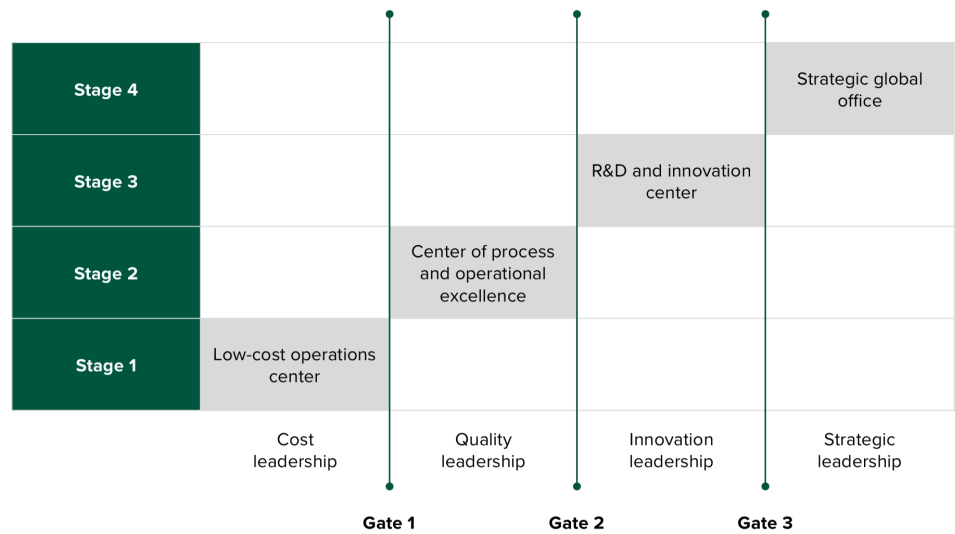
- **Stage 1: Low-cost operations center.** Most shared services centers started as low-cost operations centers, leveraging the host location's lower labor costs or tax incentives to achieve price leadership. Such a center performs transactional, routine, process-oriented activities like data entry, customer service, and IT support; efficiency and standardization cut operating expenses. It functions as an extension of the parent organization and leverages abundant local talent and skills to handle easily replicable tasks. This foundational stage allows the parent to gain experience in global operations and build infrastructure for future expansion. KPIs

measure cost savings, process efficiency, and basic service-level agreements. Headquarters (HQ) directly controls and guides the center, which has limited decision-making autonomy.

- **Stage 2: Center for process and operations excellence.** As the GCC matures, it shifts its focus to quality leadership. The scope of activities expands to include more complex processes, often involving process optimization, standardization, and continuous improvement initiatives. The center begins to own specific processes, aiming to enhance efficiency, reduce errors, and improve quality. This requires a more skilled workforce with expertise in process management methodologies like Lean and Six Sigma. The GCC starts to develop specialized capabilities and may even become a center of excellence for some operational functions. Collaboration with HQ increases; the local team assumes more responsibility for process design and implementation. KPIs now include quality metrics, process efficiency gains, and customer satisfaction scores.
- **Stage 3: R&D and innovation center.** This stage marks a significant evolution to an R&D and innovation center, as the focus shifts to innovation leadership. The GCC undertakes higher-value, knowledge-intensive activities such as R&D, product design, and innovation; employs people with specialized technical expertise and a deep understanding of industry and emerging technologies; and contributes directly to the firm's innovation pipeline and competitive advantage. It fosters a culture of innovation, encouraging experimentation, collaboration, and the generation of new ideas. The level of autonomy increases, with the local team often having the authority to drive research agendas and develop innovative solutions. Collaboration extends beyond HQ to external partners, research institutions, and startups. KPIs now include the number of patents filed, new product launches, and the impact of innovations on the business.
- **Stage 4: Strategic global office.** A GCC reaches the most advanced stage when it evolves into a strategic global office, transcending operational and even innovation-focused roles to assume strategic leadership. It crosses the Rubicon when it becomes an integral part of the organization's global strategy formulation and execution. The GCC may house leadership roles, drive strategic initiatives, and even own business units. It has a experienced and highly mature leadership team with strong business acumen and strategic thinking abilities. The focus shifts from specific functions to broader business outcomes and global competitiveness. The center may involve itself in M&A, market entry strategies, and global business development. KPIs now align with overall organizational goals like revenue growth, market share, and profitability. At this stage, the GCC is completely embedded into the strategic fabric of the parent company, moving far beyond its initial cost-

focused mandate.

Figure 4
The Four Stages Of Global Capability Center Maturity



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GCCs’ Path To Strategic Global Offices

In the past, GCC lifecycles often coincided with economic cycles; firms incubated them in times of economic distress when they needed to cut business operating costs. Many of these GCCs have since matured into product development and R&D centers; most greenfield GCCs now start with that mandate. While there remains an underlying cost driver, firms now primarily look for talent to build new digital and tech capabilities, making the GCC a critical business capability that’s less vulnerable to boom-and-bust cycles. In contrast, a GCC that struggles to mature beyond saving operating costs faces an uncertain fate; it’s likely that its parent firm will divest it in the next economic downturn to get cash for its core business. We see that:

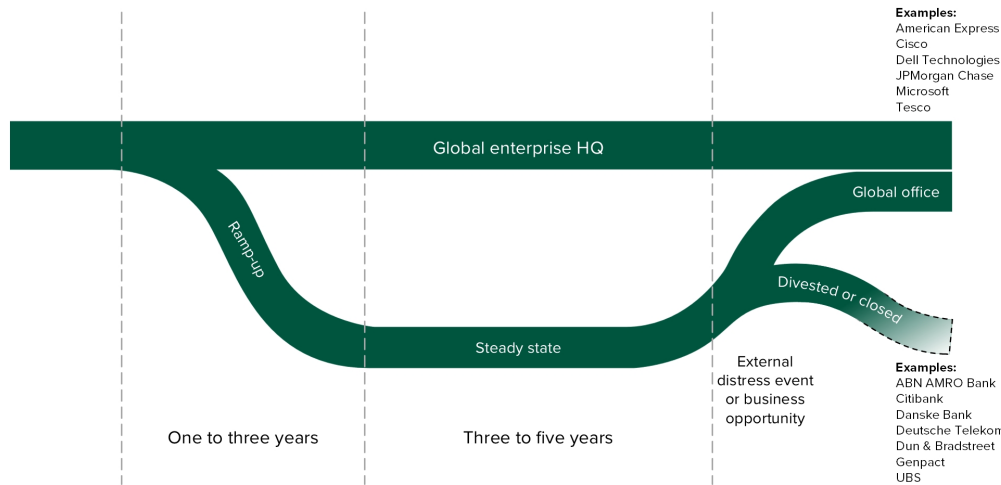
- **Most GCCs reach a steady state in one to three years.** Within a few years, GCCs typically evolve from the initial setup phase, with its ramp-up challenges, into a stable and predictable mode of operation characterized by an established cadence of activities and processes (see Figure 5). In this stage, success is often measured by the effectiveness of the transition, with the primary goal being to match or exceed the quality of delivery achieved by the original setup. Interestingly, many modern GCC buildouts are bypassing traditional models and

launching directly as R&D and innovation hubs. By focusing on highly skilled tech talent and complex, cutting-edge work, these centers mature faster, leveraging the expertise and agility required for their specialized roles. This new wave of GCCs is redefining the path to operational excellence.

- **The steady state shapes the future.** How a GCC works during its established operational phase is pivotal in defining its long-term trajectory. Prolonged stagnation can entrench processes and create a fixed culture that becomes ever difficult to shift. This phase is a critical foundation; it can either pave the way for growth and strategic relevance or lead to challenges like restructuring or even closure, depending on internal dynamics and external pressures. GCCs that fail to elevate their capabilities and position themselves as quality and innovation leaders in this period often face significant struggles. The steady state isn't just a phase — it's the turning point that determines whether a GCC thrives or falters.
- **The goal is to become one with the enterprise.** A successful GCC strives to become an integral, indispensable part of the parent organization's global framework. This transformation signifies a shift from being labeled as a capability, delivery, R&D, or innovation center to simply becoming another office — whether it's in Bengaluru, Dublin, or Singapore. At this stage, the GCC is seamlessly embedded into the enterprise, directly driving strategic goals and aligning with the overall operational structure. Achieving this level of integration aligns closely with stage 4 of GCC maturity, where the center is no longer defined by its function but by its role as a vital extension of the organization. This is the hallmark of true GCC success.
- **Less mature GCCs are prone to an alternate ending.** GCCs that fail to progress beyond stage 3 maturity within five to eight years often face a different fate: usually divestiture, but sometimes outright closure. In periods of organizational distress or strategic realignment, firms may choose to spin off a successful GCC as an independent entity to capitalize on market opportunities. While divestitures aren't inherently negative — many have led to thriving standalone enterprises — this outcome is seldom ideal unless it aligns with a well-planned, long-term strategic vision. GCCs should aim for growth, integration, and strategic importance, not an unplanned separation.

Figure 5

The Lifecycle Of A Typical Global Capability Center



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Get The Most Out Of Your GCC

To get the best results out of your GCC investment, emphasize the following strategies:

- **Start strong: Lay the foundation for your long-term purpose.** Transforming a GCC from a cost-focused center into a hub for complex product development, R&D, and innovation is no small feat. The key lies in setting the right foundation from the outset. Executive sponsors and GCC leaders must actively challenge internal and external perceptions of the center's purpose to avoid stagnating in a low-maturity steady state. Prolonged focus on high-volume, low-complexity tasks can lead to entrenched processes, culture, infrastructure, and talent optimized for efficiency rather than innovation — a major barrier to curiosity, risk-taking, and collaboration. Neeraj Goyal, head of NAB Innovation Centre India, highlighted the importance of designing the organization and attracting talent that could propel a greenfield GCC directly into a higher stage of maturity. The takeaway? A strong start isn't just important — it's transformative. Lay the foundation wisely to unlock your GCC's full potential.
- **Define guiding principles to ensure clarity between HQ and the GCC.** To ensure that the GCC doesn't become a repository for low-value tasks that other teams avoid, it's critical to define clear principles that promote equitable work allocation

across global teams. This raises the maturity of your GCC and fosters collaboration and trust. Intuit developed guiding principles that empowered its teams worldwide, including those in India, with end-to-end ownership of capabilities rather than fragmented responsibilities. As part of this, India-based teams took on complex product engineering work while committing to provide nighttime support — a testament to shared accountability and commitment. These guiding principles reduce misunderstandings, prevent conflict, and create a foundation for clarity and alignment across the organization. As your GCC evolves, these principles serve as a strategic reference point for refining work allocation and elevating global collaboration.

- **Organize teams for success.** Enterprises and solution providers increasingly adopt squad-based delivery structures to drive agility and collaboration. To maximize success, it's crucial to set up team structures thoughtfully and avoid common pitfalls like silos or bottlenecks. When relying on outsourcing partners for staff augmentation, resist the temptation to mix personnel from multiple suppliers on a single team; this can dilute accountability and cohesion. Similarly, for product or platform development, granting full ownership to a GCC team rather than splitting responsibilities across locations can significantly boost throughput and quality. A US-based financial software firm and Australia's REA Group both embraced this approach, achieving superior results by empowering teams with end-to-end ownership. The lesson? Clear, intentional team structures are the foundation of exceptional delivery.
- **Build on smaller successes.** Earning a seat at the corporate table — elevating a GCC's role beyond cost-efficient service center — requires proving that it can execute complex business or technology initiatives. Often, GCCs must overcome internal skepticism before earning trust for larger opportunities. Organizations rarely hand over ownership of a major initiative without a track record of success; this is particularly true for GCCs that have historically operated in order-taker mode. The site leader of the India-based GCC of a US financial software firm said that it took nearly five years of consistently delivering impactful results before it gained end-to-end ownership of product development and support. The insight? Build credibility step by step, and let smaller wins pave the way for transformative opportunities.
- **Leverage partners to build capabilities quickly.** While GCCs are sometimes viewed as a threat to service providers — replacing potential direct billings — the opportunity to collaborate on establishing and scaling GCCs is far too significant to overlook. In fact, GCCs represent a growing market for service providers: In recent earnings calls, firms like Capgemini, Cognizant, Coforge, and Tech Mahindra

publicly committed to expanding their focus on GCC enablement. Australia-based REA Group leveraged its partnership with Thoughtworks to seamlessly move its offshore development center from China to India and establish a high-performing GCC via a build, operate, and transition approach. A US-based financial services firm partners extensively with HCLTech, a provider with a strong GCC focus, on building a flexible and resilient service delivery model. The best practice? Use strategic partnerships to unlock rapid capability-building and focus on delivering value to your organization instead of dealing with operational quagmire.

Supplemental Material

Companies We Interviewed For This Report

We would like to thank the individuals from the following companies who generously gave their time during the research for this report.

HCLTech

REA Group

Thoughtworks

US-based financial services firm

US-based financial software firm

US-based manufacturer of consumer durables

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