

IMPACT OF GLOBAL CAPABILITY CENTERS ON THE IT SERVICES INDUSTRY

Strategic Impact, Innovation Leadership, and the Road to 2030

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EXECUTIVE SUMMARY

Global Capability Centers (GCCs) – also referred to as Global In-house Centers (GICs) or Captive Centers – have undergone a fundamental transformation over the past three decades.

Originally established as offshore cost-arbitrage units performing transactional and back-office functions, GCCs have evolved into sophisticated innovation hubs, digital transformation engines, and strategic nerve centers for multinational corporations.

This report synthesizes findings from multiple independent research sources to provide a comprehensive analysis of how the IT Services industry has benefited from the proliferation of GCCs.

The evidence consistently demonstrates that GCCs have not cannibalized the IT services market – as was initially feared – but have instead expanded it, deepened client relationships, catalyzed new service lines, and forced a value-positive evolution in how IT services firms operate.

Key findings



Growth in India

India alone hosted over 1,700–1,900 GCCs as of FY2024 employing approximately 1.9 million professionals, with revenues of \$64.6 billion projected to reach \$100–110 billion by 2030.



Revenue Contribution

IT majors now derive 3–5% of total revenue from GCC-related services. GCCs collectively spend an estimated \$8–10 billion annually on third-party IT services in India.



Strategic Evolution

The net outcome across the industry has been a structural "move up the stack" – from labor arbitrage to differentiated engineering, IP creation, and ecosystem orchestration.

1. INTRODUCTION AND CONTEXT

The global technology services industry – encompassing IT outsourcing, managed services, systems integration, cloud consulting, and digital transformation advisory – has long operated on a model of skill arbitrage and geographic specialization. For decades, multinational corporations (MNCs) relied on third-party IT service providers headquartered in India, Eastern Europe, and Southeast Asia to deliver technology capabilities at scale.

The emergence of Global Capability Centers fundamentally altered this dynamic. A GCC is an entity established by an MNC in a lower-cost geography – most commonly India – to perform strategic, knowledge-intensive work that was previously either handled in-house in the home country or outsourced to third-party vendors. The earliest "captive centers" date to the mid-1990s, when technology MNCs such as Texas Instruments, General Electric, and American Express established offshore development and back-office operations in India.

The initial narrative framed GCCs as a competitive threat to traditional IT services firms – a form of "captive sourcing" that would erode the addressable market of vendors. When major corporations like Bank of America, Procter & Gamble, and UBS began insourcing technology functions in the mid-2010s, concerns grew. Commonwealth Bank of Australia, once a major client of TCS serviced by 2,500 professionals, established its own 2,500-strong GCC in India and began doubling that workforce while reducing external vendor headcount significantly. Such examples initially fueled a zero-sum narrative.

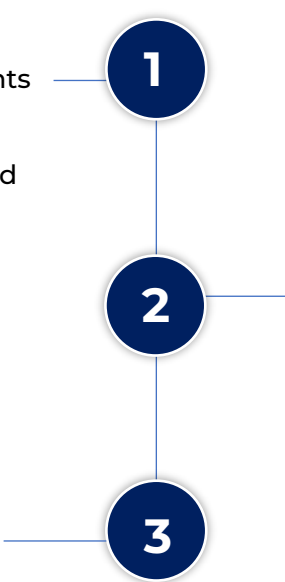
However, a decade of evidence has produced a more nuanced and ultimately more constructive picture. GCCs and IT service firms have developed a deeply symbiotic relationship, with each enabling and amplifying the growth of the other. By 2024–25, every major IT services firm had aggressively established dedicated GCC practices, and strategic investments – such as Accenture's \$170 million investment in GCC enabler ANSR – signaled a fundamental rethinking of the competitive dynamic.

Mid-1990s: Early Adoption

Pioneering MNCs like Texas Instruments establish first captive centers in India, primarily for offshore development and back-office functions

2024-25: Symbiotic Relationship

GCCs and IT services firms develop a collaborative ecosystem, with services firms integrating GCC practices and making strategic investments.



Mid-1990s: Early Adoption

Pioneering MNCs like Texas Instruments establish first captive centers in India, primarily for offshore development and back-office functions



2. THE EVOLUTION OF GCCS: FOUR PHASES

The maturation of GCCs over three decades can be understood through four distinct phases, each representing a higher level of strategic importance and a corresponding shift in the nature of IT services demand.

Phase	Period	Focus	Primary Objective	Key Characteristics
Phase 1	1990s–2005	Cost Arbitrage	Expense Reduction	Transactional back-office, IT support, basic outsourcing
Phase 2	2006–2015	Operational Excellence	Process Standardization	ERP/CRM deployments, analytics, shared services, growing IT engagement
Phase 3	2016–2020	Strategic Innovation	Value Creation	Product co-creation, R&D, niche skill development, centres of excellence
Phase 4	2020–Present	AI-First Transformation	Enterprise Strategy	Driving AI strategy, digital transformation, innovation hubs, product engineering



Phase 1 Cost Arbitrage Era (1990s–2005)



Early GCCs exploited wage differentials between developed and emerging markets. They operated in relative isolation from the broader IT services ecosystem. Relationships with external vendors were transactional and limited to infrastructure, facilities, and ancillary services. The primary mandate was cost reduction – leveraging large, technically educated workforces available at a fraction of developed-market wages.

Phase 2 Operational Maturity (2006–2015)



As GCCs deepened their operational roots, they began taking on increasingly complex work: enterprise application development, global IT helpdesks, finance and accounting shared services, and data analytics. This phase saw a marked increase in GCC engagement with IT service providers for specialized skills and technology consulting. IT service firms recognized that GCC clients had distinct needs – partners who understood both the parent MNC's global architecture and the local talent market.

Phase 3 Innovation and Transformation Era (2016–2020)



GCCs transformed into genuine centers of technological innovation. Advanced analytics, artificial intelligence, cloud engineering, cybersecurity, and product development became core competencies. Many GCCs were rebranded as Centers of Excellence (CoEs) or Innovation Hubs. This phase created a surge in demand for highly specialized, outcome-oriented IT engagements.



Phase 4 AI-First Transformation (2020–Present)

Today's mature GCCs function as "extension HQs" deeply integrated with global enterprise strategy. They lead AI model development, co-author patents, shape product roadmaps, and operate as global centers of excellence for emerging technologies. According to multiple sources, Engineering and R&D services now constitute approximately 56% of total GCC revenue share, reflecting the depth of strategic mandate these centers carry.



3. MARKET SCALE AND ECONOMIC SIGNIFICANCE

Understanding the scale of the GCC ecosystem is essential to appreciating its impact on the IT services industry. The following table consolidates verifiable data points.

Indicator	Statistic
GCCs in India (FY2024)	>1,700 (est. 1,800–1,900)
GCC professionals in India	~1.9 million
India GCC market revenue (2024)	\$64.6 billion
Projected India GCC revenue (2030)	\$100–\$110 billion
Projected GCC count in India (2030)	2,200–2,400
GCC revenue CAGR (past 4 years)	9.8%
GCC revenue as % of India GDP (FY25)	~4.5%
IT majors' revenue from GCC work	3%–5%
GCC spend on 3rd-party IT services (India)	~\$8–10B annually (growing 12–15%/yr)
India IT-ITeS sector revenue (FY25)	\$283 billion (up 5.1% YoY)
ER&D share of GCC revenue	~56%

India is the dominant GCC geography by scale, driven by its large, English-speaking, technically educated workforce and mature outsourcing ecosystem. However, GCCs operate globally – significant clusters exist in Eastern Europe (Poland, Romania, Czech Republic), Latin America (Mexico, Colombia, Brazil), and Southeast Asia (Malaysia, Philippines). The India ecosystem, however, sets the pace for provider offerings including setup, engineering, managed services, and GCC-as-a-Service models.

Geographic Distribution of GCC Hubs

India leads globally with 1,700–1,900 centers. Key secondary hubs include: Eastern Europe (Krakow, Warsaw, Bucharest, Prague); Latin America (Mexico City, Bogotá, São Paulo); Southeast Asia (Manila, Kuala Lumpur); and emerging markets in the Middle East (UAE, Saudi Arabia) and Africa (Egypt, South Africa, Kenya). IT services firms have systematically expanded their own geographic footprints to co-locate with GCC clusters – enabling faster client service and access to diverse talent pools.



4. HOW THE IT SERVICES INDUSTRY HAS BENEFITED

Multiple independent research sources converge on a consistent set of benefit mechanisms through which GCC growth translates into tangible advantages for IT services companies. This section summarizes these mechanisms.

4.1 Expansion of Total Addressable Market

Contrary to early concerns about market cannibalization, GCCs have materially expanded the Total Addressable Market (TAM) for IT services. Three mechanisms drive this expansion:

Lift-and-Shift Engagements: When MNCs establish or expand GCCs, they engage IT service firms to manage transitions – migrating applications, replicating processes, and training staff. These transformation programs generate significant revenue for system integrators.

Complementary Specialization: GCCs excel at institutional knowledge and business context; IT service firms excel at cutting-edge technical capabilities and cross-industry best practices. This complementarity drives a steady demand for co-sourcing arrangements, where GCCs handle BAU operations while external vendors deliver innovation and niche expertise.

The GCC Supply Chain: GCCs themselves generate demand for technology platforms, cloud services, cybersecurity solutions, and digital tools. NASSCOM estimates that GCCs in India alone spent approximately \$8–10 billion annually on third-party IT services and technology products by 2023, growing at 12–15% per year.

As GCCs mature and take on increasingly complex mandates, their need for specialized external expertise grows proportionally. Rather than reducing vendor engagement, sophisticated GCCs become more discerning – and higher-spending – buyers of specialized IT services.

4.2 New Revenue Streams: GCC-as-a-Service and BOT Models

One of the most significant direct benefits for IT services firms has been the emergence of the "GCC-as-a-Service" (GaaS) model. Recognizing that many mid-market companies – those with revenues between \$500 million and \$5 billion – desire the strategic benefits of a GCC but lack the scale or expertise to establish one independently, IT service firms developed turnkey GCC setup and management offerings.



The Build-Operate-Transfer (BOT) model has become a central offering in this space. Under BOT, the IT services firm establishes and operates a GCC center before transferring ownership to the client, reducing setup risk and accelerating time-to-value. Major firms have developed variants:

- Infosys offers BOTT (Build-Operate-Transform-Transfer) and BOA (Build-Operate-Acquire) models
- LTIMindtree offers a full BOTT catalog-based service model enabling Fortune 500 companies to establish GCCs in India and other markets.
- CGI provides managed GCC services where it operates the client's entire GCC on an ongoing basis – exemplified by its engagement with a major Canadian telecommunications firm in Bangalore
- Accenture, Deloitte, EY, Wipro, TCS, HCLTech, and Cognizant have each developed dedicated GCC advisory practices spanning location strategy, regulatory guidance, talent acquisition, and governance frameworks

ISG's 2025 Provider Lens report identifies Accenture, Deloitte, EY, Infosys, and TCS as Leaders in GCC design and setup – reflecting the maturation of this service category. Mid-tier provider Coforge reports that approximately 10% of its revenue comes from GCC-related work, while analyst projections suggest that by 2028, third-party IT and IT-enabled service providers may generate or influence over 50% of their revenue through GCC partnerships.

Financial reporting confirms material revenue contribution: major Indian IT firms now derive 3–5% of total revenues – approximately \$5–6 billion – from GCC-related spending on staff augmentation, managed services, and digital transformation.



4.3 Acceleration of Digital Transformation Demand

As GCCs become innovation hubs, enterprises typically increase their digital ambition – more cloud modernization, data platforms, AI enablement, cybersecurity uplift, and product engineering. Even when execution happens inside the GCC, providers benefit by supplying specialized skills, reference architectures and accelerators, and toolchain and managed platform services.

GCCs have been disproportionate early adopters of cloud technologies, AI/ML platforms, and digital transformation tools. IT service firms benefit from this in several ways:

Cloud Migration Contracts: As GCCs centralize and modernize technology infrastructure, they engage IT partners for large-scale cloud migration programs on AWS, Microsoft Azure, and Google Cloud. IDC estimates GCC-driven digital transformation spending accounted for approximately 18% of total IT services revenue in the Asia-Pacific region in 2023, projected to grow to 25% by 2027.

AI and Data Platform Implementation: GCCs increasingly serve as the global analytics hub for their parent MNCs, creating demand for enterprise data platforms, generative AI deployments, and MLOps pipelines.

Cybersecurity Services: As GCCs handle sensitive global data and intellectual property, they require sophisticated cybersecurity capabilities. Managed security service providers and cybersecurity consultancies find GCCs to be well-funded clients with complex, multi-jurisdictional compliance requirements.

The PwC framework positions IT services explicitly as a "value multiplier" for GCC strategic outcomes – a relationship that consistently expands the scope and value of provider engagement rather than contracting it.



4.4 The Hybrid Delivery Model: From Outsourcing to Co-Creation

The relationship between GCCs and third-party IT service providers has evolved from a vendor–client dynamic to a collaborative co-creation model. The following comparison illustrates this shift:

Feature	Traditional Outsourcing	GCC-Integrated Model
Control	High Vendor Control	Shared Governance
Knowledge Retention	Low (lost at contract end)	High (retained within ecosystem)
Innovation Orientation	Task/activity-oriented	Outcome-oriented
Cost Model	Fixed/Variable per SLA	Long-term value optimization
Strategic Alignment	Transactional	Enterprise-centric

Rather than displacing external providers, mature GCCs often become orchestrators and intelligent buyers of IT services – increasing the sophistication and volume of outsourced or co-sourced work. Common engagement patterns include:

- Hybrid delivery: GCCs handle core or strategic components while partners address scale, legacy, or non-core work
- Co-innovation labs: Joint development of domain-specific digital products, reusable microservices, APIs, and industry accelerators
- Platform partnerships: IT firms provide platforms and IP that GCCs operationalize within their specific business context

The "walled garden" model described by ANSR captures this dynamic precisely: GCCs contain the core work and intellectual property, while service providers enable scale, flexibility, and speed-to-market around that core. This division of labor recognizes that GCCs cannot maintain every skill internally, particularly given the rapid pace of technological evolution.



4.5 Talent Ecosystem Development

One of the most underappreciated benefits of GCCs for the broader IT services industry is their role in developing and deepening regional talent ecosystems. This dynamic operates through several mechanisms:

Metric	GCC Headcount	Traditional IT Services
Annual Growth Rate (India)	18%–27%	4%–6%
Total Professionals (India, ~2024)	~1.9 million	~5.4 million
New Hires Annually	~300,000	Lower pace
AI/Advanced ML Pay Premium	30–40% higher	Baseline

- GCCs invest heavily in university partnerships, campus recruitment, and specialized training academies in emerging technologies – creating a richer, more skilled talent pool from which IT service firms also recruit
- The talent mobility between GCCs and IT service providers creates a virtuous cycle: GCCs train talent, IT firms absorb and redeploy that talent, and the collective sophistication of the regional technology workforce rises
- Joint training and enablement initiatives – upskilling in agile, DevSecOps, cloud, data, and cybersecurity – raise the capabilities of provider teams, making them more competitive globally
- Working closely with GCCs improves providers' maturity in distributed agile delivery, follow-the-sun models, and cross-cultural stakeholder management – a key differentiator when competing for large global deals

While competition for talent is acknowledged as a genuine challenge (addressed in Section 6), the net effect on regional talent ecosystems has been broadly positive for the IT services industry as a whole.



4.6 Strategic Repositioning: From Vendors to Strategic Partners

The rise of GCCs has compelled IT service firms to fundamentally reposition their value proposition. In a world where clients have sophisticated internal technology capabilities through their GCCs, pure cost arbitrage and body-shopping models are no longer competitive. The IT services industry has responded through several strategic adaptations:

Platform-driven Models

Investing in proprietary platforms and IP – shifting from time-and-material billing to outcome-based and platform-as-a-service models

Deep Domain Expertise

Building deep industry domain expertise – offering not just technical execution but business transformation advisory

Platform-driven Models

Developing ecosystem orchestration capabilities – managing complex multi-vendor, multi-cloud environments on behalf of clients

Emphasizing innovation credentials – filing patents, publishing research, establishing startup accelerator programs

Creating dedicated GCC advisory divisions offering maturity assessments, operating model design, talent strategy, technology roadmaps, and change management

This strategic repositioning has elevated the quality and margin profile of IT services engagements, benefiting the industry's long-term financial health. Firms that previously competed on labor rates now compete on innovation velocity and strategic impact.

4.7 Geographic Diversification and New Market Entry

The GCC phenomenon has driven IT services firms to expand their own geographic footprint. As GCCs proliferate across India's tier-2 cities – Pune, Hyderabad, Bengaluru, Chennai, Coimbatore – as well as across Eastern Europe, Latin America, and Southeast Asia, IT service firms have followed clients into these markets. This geographic co-evolution has enabled IT firms to access new talent pools, establish local delivery capabilities, build relationships with regional governments and academic institutions, and develop familiarity with local regulatory environments.



5. CASE ARCHETYPES OF GCC-IT SERVICES COLLABORATION

The following archetypes, illustrate how IT services firms generate value through GCC partnerships.



Financial Services GCC

A large global bank establishes a GCC in India focused on digital channels and core banking modernization. The GCC leads architecture and product roadmaps. A global IT provider implements cloud migration for multiple core systems, co-develops digital banking applications with the GCC's product and design teams, and sets up a DevSecOps platform used bank-wide. Another financial services example involves a GCC orchestrating an ecosystem of external partners providing AI, cybersecurity, and regulatory technology expertise – **achieving a 40% reduction in time-to-market for digital products.**

Benefit to provider: High-value digital and cloud revenues; deep domain expertise in core banking modernization; reference case enabling similar wins with other banks.



Retail and Consumer GCC

A global retailer's GCC in Eastern Europe undertakes omnichannel transformation and advanced analytics mandates. A consulting firm advises on operating model design, product organization, and data platform strategy – then helps build a data lakehouse architecture and customer 360 solution, with the GCC as the main execution engine.

Benefit to provider: Strong positioning as strategic advisor to both the GCC and global headquarters; recurring work on roadmap execution, change management, and analytics use case prioritization.



Manufacturing and Engineering GCC

A manufacturing major's GCC builds and maintains connected product platforms covering IoT and predictive maintenance. An engineering and IT services provider brings domain and IoT platform expertise, jointly building reusable edge and cloud components that are later standardized across product lines.

Benefit to provider: An IoT reference architecture and solution stack reused to win and deliver engagements for other manufacturing clients; IP development funded through a client engagement.



Biotech/Pharma GCC

A multinational biotech optimized over 800 services via GCC-led cloud migration, achieving 80% cost savings, 99.13% SLA compliance, and \$600K in reusable framework savings. Consulting firms focus on governance, integration, and regulatory alignment – roles that command premium advisory fees distinct from implementation work.



6. CHALLENGES, TENSIONS, AND COMPETITIVE DYNAMICS

While the overall relationship between GCCs and IT services firms is broadly symbiotic, several tensions warrant clear acknowledgment. The benefit distribution is not uniform – it is asymmetric. Firms with strong consulting and engineering differentiation benefit significantly more than those concentrated in legacy run operations.



Talent Competition

GCCs and IT service providers compete intensely for the same talent pools – engineers, data scientists, architects, and product managers. In major tech hubs like Bengaluru, Hyderabad, and Krakow, GCCs often outbid traditional IT service providers for rare, specialized talent. GCCs pay 30–40% more for AI and advanced ML roles than IT services firms. This has contributed to wage inflation affecting both sectors. GCC headcount is growing 18–27% annually compared to 4–6% for traditional IT services. While this creates a competitive challenge, it has also forced IT services firms to invest more heavily in training, career development, and engaging work – ultimately elevating workforce quality.



Insourcing and Revenue Erosion in Commodity Layers

As GCCs mature, there is a natural tendency to insource work previously outsourced to IT vendors. This is most pronounced in commoditized application maintenance, basic infrastructure management, and standard business processes. This dynamic can erode revenue for incumbent service providers anchored in low-value, labor-arbitrage-based services. Managing this pressure requires IT firms to continuously deliver differentiated value beyond commodity services.



Pricing Pressure and Margin Compression

Sophisticated GCCs have strong cost benchmarks and vendor management capabilities. They run competitive RFPs, maintain multi-vendor models, and demand higher value at stable or declining price points. IT services firms must continuously increase productivity via automation, tools, and accelerators, and invest in higher-end capabilities to avoid commoditization.



Governance and Role Clarity

As both GCCs and providers increase their scope, ambiguity over roles – particularly in product ownership, architecture governance, and roadmap definition – can arise. Without clear operating models, friction reduces value realization. Successful engagements require well-defined RACI models, joint steering structures, and clear separation of responsibilities combined with mechanisms for ongoing collaboration.



Intellectual Property Complexity

Co-innovation arrangements raise complex questions about IP ownership, confidentiality, and competitive use. Disputes over jointly developed IP can strain relationships and require sophisticated contractual frameworks to navigate effectively.



7. STRATEGIC IMPLICATIONS FOR IT SERVICES LEADERS

Based on the synthesized evidence, four strategic imperatives emerge for IT consulting services firms seeking to maximize benefit from the GCC ecosystem:

7.1 Productize GCC Offerings

Package GCC launch, operation, and optimization capabilities into structured service products – governance frameworks, security baselines, cloud foundations, talent playbooks. ISG and other analyst bodies explicitly segment GCC design/setup and optimization/enhancement as distinct markets. Treating these as scalable products rather than bespoke projects enables margin improvement and faster delivery.

7.2 Lead with Engineering and AI

As GCCs prioritize digital capabilities and AI-first transformation, providers should build and attach to platform engineering, data/AI enablement, and cyber modernization. The emergence of AI-First GCCs represents a sustained multi-year demand wave. Providers who position themselves as trusted AI transformation partners will capture disproportionate value.

7.3 Become the Ecosystem Integrator

Win long-term relevance by integrating hyperscalers, SaaS vendors, niche boutiques, and governance frameworks into coherent multi-vendor delivery models. Ecosystem orchestration is sticky, recurring, and difficult to displace once embedded into operating rhythms – offering more durable revenue than project-by-project build work

7.4 Manage Coopetition Explicitly

Define clear rules of engagement with client GCCs – shared roadmaps, explicit ownership boundaries, and joint metrics. The GCC-provider relationship is neither purely competitive nor purely cooperative. Firms that codify the terms of collaboration proactively avoid friction, churn, and the value destruction that comes from role ambiguity.



8. FUTURE OUTLOOK



AI as the Next Defining Wave

The rapid adoption of generative AI is poised to reshape the GCC-IT services relationship once again. GCCs are investing heavily in AI-native workflows. ISG projects that within this decade, GCCs will become "autonomous, AI-driven decision-making units" where agentic AI continuously analyzes and enhances processes. IT consulting firms are racing to develop AI implementation expertise and proprietary tooling. The firms that successfully position themselves as trusted AI transformation partners for GCCs will capture disproportionate value in the coming decade. The transition from labor arbitrage to "technology arbitrage" – leveraging differential access to advanced capabilities and specialized expertise – favors providers who have invested in platforms, AI capabilities, and deep domain knowledge.



Geographic Expansion of the GCC Model

As established GCC locations approach talent saturation, MNCs are exploring emerging hubs in Africa (Egypt, South Africa, Kenya), the Middle East (UAE, Saudi Arabia), and tier-2 cities across Asia. IT service firms with early-mover presence in these geographies will be well-positioned to capture GCC setup and support contracts.



The Product Engineering Shift

GCCs are increasingly taking on product engineering mandates – building software products for global distribution rather than simply supporting internal IT systems. This opens new opportunities for IT consulting firms to serve as design partners, quality assurance specialists, and go-to-market advisors.



Policy and Geopolitical Considerations

The GCC ecosystem does not operate in isolation from broader geopolitical forces. Potential US tariffs on services, immigration policy changes, and data sovereignty requirements could reshape location economics. India's proposed National GCC Policy framework aims to position the country as the global headquarters for innovation-driven GCCs, with potential to generate 20–25 million jobs and \$600 billion in economic impact – outcomes that would benefit the IT services ecosystem broadly.



Consolidation in GCC Advisory

As demand for GCC setup and transformation services grows, the advisory market is likely to consolidate. Larger IT service firms with scale, global presence, and proprietary methodologies will acquire smaller boutique GCC consultancies, building integrated offerings spanning advisory, implementation, and managed services.



9. CONCLUSION

The Global Capability Center phenomenon has been a defining force in reshaping the IT consulting services industry. GCCs were initially perceived as competitive threats – entities that would disintermediate traditional IT vendors through captive sourcing. The reality has proven far more nuanced and, ultimately, far more beneficial for the industry.

GCCs have expanded the total market for specialized IT services, deepened regional talent ecosystems, catalyzed new service lines such as GCC-as-a-Service and BOT, and driven sustained demand for cloud, AI, and digital transformation engagements. The evidence across practitioner research, market analyses, and corporate strategy reporting consistently supports one conclusion: GCCs and IT services firms are engaged in a symbiotic relationship that benefits both parties.

The net outcome has been a sector-wide move up the value stack. The greatest benefits accrue to providers that have pivoted from labor-based delivery to differentiated engineering, intellectual property creation, and ecosystem orchestration. Benefits are asymmetric – firms anchored in commoditized delivery layers face real pressure – but the overall trajectory is one of sustained demand expansion and margin mix improvement for those who adapt.

As enterprises accelerate digital transformation and GCCs continue to mature as global hubs of innovation capability, the firms that embrace collaboration, invest in higher-end capabilities, and evolve toward outcome-based models will find in GCCs not a threat, but one of the most significant growth opportunities in the IT services industry's history.



Key takeaway

GCCs have not cannibalized the IT services market. They have expanded it, deepened it, and forced a value-positive evolution. The move from cost arbitrage to innovation partnership has created durable, high-value demand streams that will intensify as AI, cloud, and product engineering continue to reshape enterprise technology strategy.

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