

MARKET IMPACT REPORT

Five bold ambitions of future-ready BFSI GCCs

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Foreword

The Global Capability Center (GCC) growth story has captured all headlines. Yet deep down, GCCs continue to be underestimated, undervalued, and under-leveraged. Despite two decades of evolution, many enterprise leaders still see these centers through the lens of cost arbitrage rather than strategic advantage.

This research partnership with Cognizant cuts through the noise to reveal an uncomfortable truth: the most significant barrier to GCC transformation isn't technology, talent, or capital; it's the enterprise mindset. The captive mentality that once defined these centers now threatens to constrain their future.

HFS launched this study to answer a fundamental question: are BFSI GCCs ready to stop being followers and start being leaders? After interacting with more than 30 senior GCC leaders, the answer is unequivocally yes, with a caveat: it is only for those willing to embrace bold change.

The five ambitions outlined in this paper represent more than incremental improvement. They're a complete reimagining of what GCCs can and should be:

- Strategic equals, not subordinate centers
- Leadership engines, not just talent pools
- AI transformation hubs, not pilot factories
- Agile enterprises, not bureaucratic silos
- Value creators, not just cost savers

This isn't about evolution but rather revolution. The GCCs that emerge as winners in the next decade will stop asking for permission and start taking ownership. They'll measure their success not in headcount or cost savings, but in revenue contribution, strategic KPIs, innovation impact, and leadership influence.

The age of the captive is over. The era of the catalyst has begun.

BFSI GCCs have outgrown their back-office legacy; they are now strategic engines of growth, resilience, and innovation. The next decade will be defined by how boldly they reimagine their role in the global enterprise.

At Cognizant, we see GCCs as leaders, not followers. Our focus is on enabling senior GCC leaders to claim their rightful seat at the enterprise strategy table through Learning-as-a-Service, Build-Operate-Transfer talent models, and leadership enablement that builds decision-making authority and global credibility.

Our GCC transformation approach, grounded in deep domain expertise, advanced AI capabilities, future-ready talent, and a globally integrated delivery footprint, has been validated by industry benchmarks, as evidenced by our recent recognition in independent assessments of GCC maturity and leadership. This differentiated model, powered by strategic investments and a strong partner ecosystem, enables GCCs to move beyond execution and deliver innovation that matters.

The future of GCCs is not about scale for its own sake. It is about impact and driving enterprise-wide transformation, industrializing AI responsibly, simplifying operating structures, and measuring success in business outcomes, not headcount. These five bold ambitions identified in this paper are imperatives every forward-looking GCC must act on now.

Cognizant is committed to partnering with GCCs on this journey, embedding talent, leadership, and innovation capabilities that allow them to emerge as indispensable strategic hubs for the BFSI industry worldwide.



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Introduction

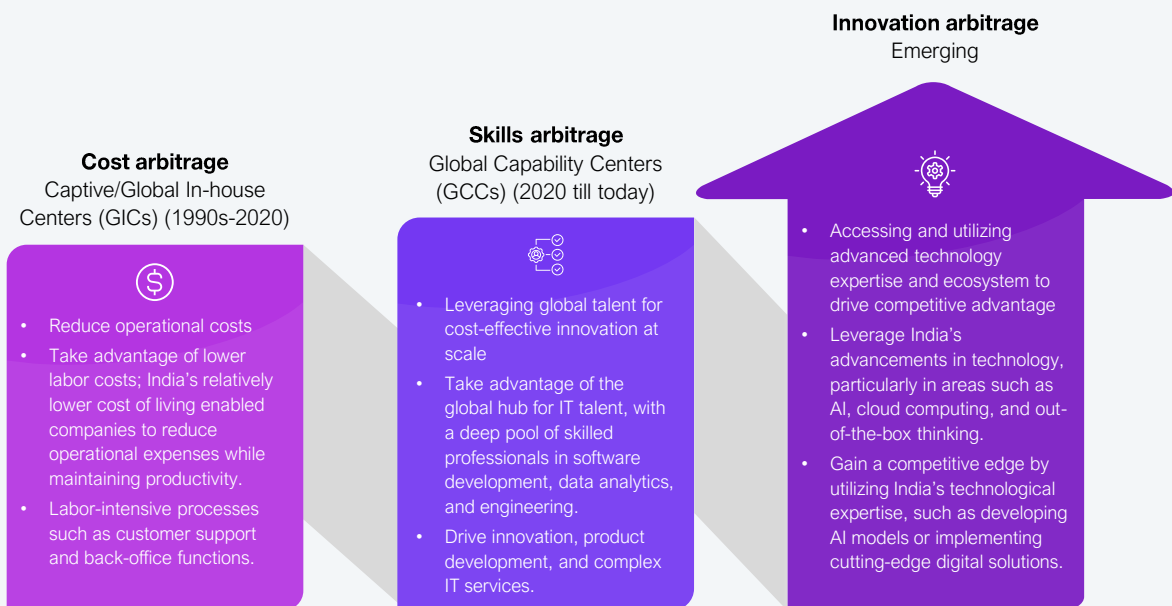
Global capability centers (GCCs) have evolved from corporate back-office afterthoughts to strategic powerhouses that increasingly define how global enterprises operate. Born from labor arbitrage, GCCs in countries such as India were once pigeonholed as low-cost execution arms. Today, they are rewriting that narrative, emerging as hubs of innovation, leadership, and competitive advantage.

What began as a cost-saving tactic has morphed into a mission-critical capability, with GCCs driving complex, high-value outcomes that fundamentally reshape business models. They are no longer 'nice-to-have' extensions but indispensable anchors of enterprise transformation, enabling innovation and high-value outcomes.

Yet the journey hasn't been linear. GCCs have faced resistance, outdated structures, and credibility gaps that limit their full potential. Many still struggle to shake off the legacy perceptions of being transactional offshore centers rather than true partners in growth.

This paper, a collaboration between HFS Research and Cognizant, distills insights from interviews with 10+ senior BFSI GCC leaders and a digital roundtable of 20+ BFSI GCC executives. It cuts through the noise to provide a blunt, actionable roadmap for turning GCCs from 'captive' to 'catalyst'—a playbook for those ready to lead, not follow.

Exhibit 1: Moving up the value chain from cost to innovation arbitrage



Source: HFS Research, 2025

From these conversations, five unapologetically bold ambitions emerged, challenging every BFSI GCC to rethink its purpose, power, and future in the global enterprise. This paper unpacks those,

showing how forward-thinking BFSI GCCs can redefine value, transform talent, scale responsible technology, and finally claim their rightful seat at the strategy table.

Exhibit 2: Five strategic ambitions of BFSI GCCs

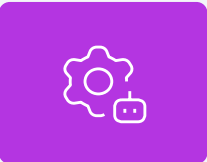
Be perceived and operate as an equal part of the global enterprise, not an adjunct or delivery centre.

1. Kill Captive Mindset



Position India as a hub for digital innovation and responsible AI development in BFSI.

3. Make AI Actually Useful



Shift away from headcount-based success metrics toward strategic and innovation-oriented value drivers.

5. Measure What Actually Matters



2. Build Real Leadership from India

Develop India-based talent as global leaders—not just operational managers



4. Design a Structure that Serves, Not Suffocates

Operate within globally integrated, yet locally empowered delivery and decision models.



Sample: Qualitative interviews with 10 BFSI GCC Leaders
Source: HFS Research in partnership with Cognizant, 2025

Kill the captive mindset—rebrand it, don't just rename it.

Transform BFSI GCCs from cost-driven, offshore support centers to fully integrated, strategic business hubs with global standing and ownership.

GCCs today deliver full-stack ownership, functional leadership, and domain depth that rival any global hub. Yet terms such as 'captive,' 'offshore,' and even 'GCC' still anchor perceptions in a low-cost, low-value world. These quietly reinforce a second-class status that limits influence and denies these centers their rightful seat at the global strategy table. If GCCs truly want to be seen as critical engines of innovation, they must shed not only the name but the mindset that goes with it and rewire their brand narrative to match their strategic reality.

GCC labels undercut credibility

Despite decades of progress, these labels persist and subtly reinforce a subordinate status. Headquarters often hesitate to hand over genuine decision rights, and local GCC leaders sometimes lack the confidence to push back or

proactively stake their claim in strategy. Structural hierarchies and outdated role definitions continue to position GCCs as a follower rather than a co-creator of business impact.

GCCs must rebrand and reinforce enterprise parity by:

- Retiring loaded terms such as 'captive' and 'GCC,' replacing them with neutral, function-aligned identities (for instance, XYZ India)
- Positioning India-based leaders with real P&L and strategic accountability
- Driving top-down cultural immersion through leadership rotations and global exposure
- Globally aligning success metrics to signal complete parity
- Consistently telling the story of being of the enterprise, not for the enterprise

GCC leader voices

"Words shape perception. We chose to stop labeling ourselves as 'captive' or 'tier three'."

"We are not a back office anymore. We are an integral part of the enterprise. It's time to drop terms like 'captive' or 'outsourced' altogether."

"If we want to be seen as strategic, we must stop calling ourselves captives—it's time to break free."

"Our COO spent six months here, and suddenly we were in the enterprise conversation."

"GCC feels like a code word for offshore. We should just say India office or global operations."

"We operate like a mini-enterprise here. India is more of a replica of the parent organization."

"The biggest transformation was shifting from a third-party outsourcing mindset to a direct client delivery one."

"We have shared metrics and KPIs similar to what our global peers are also measured on. This brings in combined success for the head office to drive common transformation and other shared business goals."

Build real leadership from India. Talent without power is just cheap labor.

Elevate GCC talent from pure execution to empowered, globally credible leaders who own decisions, drive strategy, and shape outcomes.

Without decision-making authority, even the best local talent remains boxed into an execution mold. Strategic ownership is essential for GCCs to be taken seriously as a leadership engine rather than a downstream support arm. Their role will shift from 'doing' to 'directing' only when Indian leaders control budgets, product direction, and market-facing priorities.

Limited strategic authority holds GCCs back

Headquarter stakeholders are often reluctant to delegate authority, fearing risk and perceived skills gaps. Locally, Indian leaders may have technical brilliance but lack storytelling and influencing skills to challenge traditional power structures. Leadership programs frequently fail to move beyond project skills to develop authentic global confidence. Moreover, there are regulatory constraints in placing local talent into high-impact roles across investment, risk, and client management.

Empower Indian leaders with ownership and voice by:

- Assigning P&L and global product ownership roles within India
- Investing in leadership storytelling and influencing skills, not just functional skills

- Driving reverse mentoring initiatives to close cultural confidence gaps
- Seeding the organization with senior, globally experienced talent early on
- Hiring middle management with deep domain to be able to upskill as the business expands
- Tracking and measuring leadership pipeline growth in the same way as financial metrics
- Providing more support to GCCs to drive organization-wide transformation enablement
- Investing in location-agnostic hiring (best talent wins regardless of geography)
- Focusing on middle-of-the-pyramid leadership through targeted talent acquisition and capability-building across domain, technology, AI and other skills as appropriate
- Creating a structured transformation enablement agenda to help leaders craft and share transformation narratives across the enterprise

Developing global leaders demands business acumen and strong leadership skills. Embedding culturally attuned, globally experienced talent from day one is essential for long-term success. Also, mapping out precise, multi-year career trajectories is critical for retention. Organizations are adopting a holistic approach, combining targeted training with real-world exposure to create a resilient talent engine encompassing:

- Persona-based skilling journeys tailored to specific leadership profiles
- Reverse mentorship programs pairing local leaders with international peers
- Global rotation assignments to broaden strategic perspectives

GCC leader voices

“Leadership is a mindset, not a title. We need to build the confidence to take decisions.”

“If you don’t own a budget, you can never truly lead.”

“We are brilliant at execution but underconfident in storytelling.”

“If India leaders aren’t making decisions, you’re not building leadership—you’re building PowerPoint decks.”

“Our talent strategy is simple: hire the best, wherever they are. That could be Bangalore, Chicago, or London.”

“Middle of the pyramid is where many GCCs are now hiring... experience, loyalty, and leadership potential.”

Make AI actually useful—from AI theater to AI impact

Drive AI initiatives from scattered pilots to trusted, industrial-grade, production-scale solutions that truly transform the enterprise.

Too many BFSI GCCs are stuck in the ‘AI theater,’ showcasing pilots that never deliver sustainable business value. If GCCs want to lead enterprise transformation, they must focus on data, explainability, and measurable commercial outcomes rather than chasing the next buzzword. AI must become a true engine of business outcomes, not a PowerPoint trophy.

Data debt and risk-averse mindsets are drowning AI initiatives

Fragmented data, legacy environments, compliance complexity, and explainability challenges make BFSI especially wary of pushing AI into mission-critical areas. Executive pressure to showcase something new has led to flashy pilots without commercial grounding. Lack of ownership across business, technology, and risk teams further slows adoption.

Build data foundations and business-aligned AI by:

- Fixing data quality and governance before scaling
- Tying AI use cases to clear commercial value
- Building domain-specific CoEs with reusable assets
- Developing explainable, transparent frameworks to satisfy regulators
- Partnering early with compliance to sandbox new innovations
- Embracing fit-for-purpose tech, not hype-driven tech (Python over GenAI if it works better)
- Establishing internal AI academies and citizen developer programs either internally or using external support as necessary. Many GCCs blend internal training with targeted external support to expedite AI adoption. This model, leveraging third-party expertise and accelerators, is emerging as a best practice for scaling AI responsibly and swiftly, especially in regulated environments such as BFSI. Furthermore, the internal skills gap compel BFSI GCCs to quickly move up the learning and value curve when such collaborations are in place.

GCC leader voices

“AI is completely dependent on the quality of the underlying data; solving that complexity across all markets has been critical.”

“We created xyzGPT... built largely in India... it keeps data private and drives productivity.”

“If Python solves it better than GenAI, use Python.”

“Our biggest AI progress came after cleaning up 100 systems.”

Ambition

Design a structure that serves, not stifles. If your org model looks like spaghetti, don't expect clarity or accountability.

Reshape GCC operating models for speed, resilience, and integrated cross-functional ownership, removing silos that stifle innovation and responsiveness.

Most BFSI firms struggle with fragmented structures—multiple legal entities, siloed reporting lines, and over-centralized decisions. Such complexity lacks accountability and hinders strategic intent. Legacy structures designed to control cost and manage compliance can now actively block innovation and collaboration. To act as true enterprise partners, GCCs must deliver with speed, local accountability, and cross-functional teamwork. Structural simplification is key to eliminating bottlenecks and unleashing business impact. A modern GCC should behave as a strategic micro-enterprise—locally accountable and globally aligned.

Legacy silos and fragmented governance are key challenges

Siloed legal and reporting structures, disconnected verticals, and multi-layer approvals keep GCCs locked in slow, risk-averse patterns. Different KPIs between India and global headquarters fragment ownership and breed confusion. Regulatory overlays add complexity, making it hard to change without confidence in local governance. As a result, teams still feel permission-based rather than mission-driven.

Simplifying structures unlocks accountability and creates fertile ground for embedding AI in decision-making. The convergence of tech, ops, and risk within unified teams opens the door for automation, faster governance, and scalable innovation—areas where vendors can also play a potential catalytic role through deep collaboration.

Simplify, integrate, and empower local teams by:

- Consolidating legal entities to reduce friction
- Building co-located, multidisciplinary teams with end-to-end ownership
- Adopting globally harmonized KPIs to remove second-tier incentives
- Balancing hub-and-spoke governance for global scale with local speed
- Sharing governance frameworks for unified decision-making
- Weekly touchpoints and embedded global roles to maintain collaboration
- Building co-located or virtual teams to build trust and accelerate feedback
- Adopting AI to accelerate decision-making

GCC leader voices

"Your structure is your strategy. If you get it wrong, everything else fails."

"Give guardrails, not chains."

"A single team owning tech, ops, and risk means we move faster."

"These centers were set up with a global strategic direction. Nothing gets set up in a global bank like ours without HQ-level buy-in."

"The core purpose of bringing it all together has been achieved both from a productivity and client service perspective."

Ambition

Measure what actually matters. If your success metric is still headcount growth, you're in the wrong decade.

Move GCC performance measurement away from labor and headcount metrics to indicators that reflect strategic value, innovation, and growth impact.

If the only metric the enterprise sees is 'people count,' GCCs will forever be relegated to an efficiency narrative. To claim their role as enterprise-critical growth partners, they must measure and communicate their impact on revenue, resilience, and customer experience, not just cost.

Overreliance on headcount and cost KPIs

Legacy performance dashboards still over-index on traditional labor arbitrage KPIs. Innovation impact, leadership maturity, and ecosystem influence are rarely measured rigorously. This leaves GCCs unable to prove their role in enterprise transformation, missing a powerful storytelling opportunity.

Build future-proof metrics and tell impact stories by:

- Swapping out purely operational KPIs for metrics such as AI enablement, client impact, and revenue contribution
- Incorporating ESG and sustainability metrics for stakeholder relevance
- Measuring leadership pipeline growth and

participation in global roles

- Building flexibility so metrics evolve with changing enterprise priorities
- Actively sharing success stories and co-created outcomes with headquarters

Leading organizations have moved to impact-driven indicators that reflect strategic value:

- Strategic contributions to enterprise goals
- Client satisfaction and business outcomes
- Innovation throughput and speed-to-market
- Leadership influence and talent development
- Organization design that supports accountability and decision making, enabling better collaboration and innovation

Many third-party service providers and consulting firms are actively moving in this direction. They build success through client partnerships by co-creating impact-driven solutions tied to tangible transformation outcomes, innovation, and talent leadership, signaling a subtle but significant shift from traditional delivery narratives.

GCC leader voices

"We still present a labor story when we should be presenting a business growth story."

"When we shifted our dashboards from headcount to metrics such as client impact, AI enablement, and revenue support, the conversation with HQ changed overnight."

"Ideally, we grow in value, even if we shrink in size."

"What gets measured gets valued, and what gets valued gets funded."

"Success is measured by the strategic influence and seniority of roles in India, not just headcount."

The Bottom Line: The bold path forward for GCCs is to go beyond captivity.

The age of the captive is over. BFSI GCCs that cling to legacy mindsets, labor metrics, and outdated labels will fade into irrelevance. Those that rewire their identity, embrace comprehensive talent upskilling, empower their leaders, industrialize AI, build agile structures, and measure what truly matters will not just survive but also define the future of the global enterprise. Future-ready GCCs are embedding accountability through structure, building cohesive global-functional synergies, and enabling faster decision-making and collaboration.

The path ahead is not without resistance. Cultural inertia, regulatory hurdles, and legacy operating models still linger. But for those willing to confront these challenges head-on, the opportunity is immense: to become indispensable drivers of enterprise transformation and innovation. BFSI GCCs have the talent, scale, and ambition to lead. They must now claim their place—not behind the scenes, but at the very center of the enterprise strategy.

Sources of information

We interviewed 10 BFSI GCC leaders in India to understand what's working, what's stuck, and what it'll take to break through the noise:

- **Country Head, State Street**
- **Head of India GCC Operations, TransUnion**
- **Managing Director, Broadridge Financial Solutions**
- **Country Executive, India, Northern Trust**
- **Head, Investment Operations at Franklin Templeton**
- **Head of technology at a financial services company**
- **Senior Vice President at a global bank**
- **CEO and SVP of a global insurance provider**
- **Managing Director at a global bank**
- **VP and Business Leader at a global insurance provider**

The research is also supported by the perspectives of 20+ BFSI GCC leaders on the 5 strategic ambitions in a digital roundtable.



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Saurabh Gupta is president, Research and Advisory Services for HFS Research. He sets the strategic research focus and agenda for HFS Research, understanding and predicting the needs of the industry and ensuring that HFS maintains its position as the strongest impact thought leader for business operations and services research. Saurabh oversees HFS' global research function, managing the team of analysts and operations across the US, Europe, and Asia.



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About Cognizant

Cognizant is one of the world's leading professional services companies, helping clients become data-enabled and data-driven in the digital era. Its industry-based, consultative approach helps companies evolve into modern businesses. By leading clients in leveraging technologies essential to modern enterprises, such as IoT, artificial intelligence, digital engineering, and cloud, Cognizant enables new business and operating models that unlock new value in markets around the world.

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