NASSCOM®

INTRAPRENEURIAL LEADERSHIP IS ENABLING GCCS TO TRANSITION INTO INNOVATION HUBS AND COEs : NASSCOM REPORT

Availability of digital talent, maturity of the startup, supportive government policies, and peer-GCC eco-system are among the major drivers for the GCC growth in the country

New Delhi, 14 September 2021: The National Association of Software and Services Companies (NASSCOM), in association with Zinnov, has today launched its report titled '**GCC India Landscape: 2021 & Beyond!'.**

With factors such as a formidable talent base, accelerated technology adoption across industries, and expansion to emerging cities, India today has rapidly emerged from being a back-office destination to a global hub for innovation. Over the last 3 years, more than 140 GCCs have set up their base in India, taking the total number of GCCs to over 1430. Availability of digital talent, maturity of the startup, peer-GCC ecosystem, and a conducive policy environment are among the major drivers enabling the GCC growth story in the country.

*Sharing her thoughts, **Debjani Ghosh, President, NASSCOM**, said, "GCCs in India not only demonstrated greater resilience in tackling the pandemic infused difficulties but also adopted antifragile business continuity plans and operation models, defining the right balance across parameters – People, IT infrastructure and customer & employee experience for clients across the globe. India provides the most unique ecosystem (Academia, Start-ups, Service Providers, industry bodies, and Government) in the*

Key Highlights
• **140+ GCC's** have set-up GCC centers in India in the last 3 years
• **65%** of the GCCs set up in India are headquartered in Americas, specifically USA
• The number of GCCs in the country are expected to grow over 1900 by 2025, with a CAGR of 6-7%
• **Bengaluru remains the most sought after destination for GCCs** across verticals with a presence of over 31% GCCs; followed by NCR
• **GCCs are leveraging start-ups to solve business challenges** to deliver revenue growth, cost savings, and/or improve customer experience

world, which the GCCs have collectively leveraged and developed over the years. For India to grow as a global GCC hub GCCs, industry bodies, and the government will need to bridge the skill demand-supply gap and continue to focus on upskilling/reskilling."

ER&D is leading the growth story of GCCs in India with a 55% market share as digital technologies are creating new sources of revenue for ER&D GCCs to cater to the local customer base and develop engineering capabilities. India's ER&D GCC talent pool has been growing at over 11% CAGR (FY2015- FY 2021), backed by digital transformation.

With an increasing decentralization of MNCs, the growth rate of installed talent base has risen significantly in the country. As India, continues to be the global destination for next-generation talent, Tier-II cities have witnessed a steady growth in ER&D, IT & BPM talent, indicating the geographic spread of digital talent in the country. Smart city initiatives, emerging start-up hubs, cost arbitrage, an increase in the number of colleges/universities, the growing presence of GCCs, and government initiatives are some of the factors contributing to this growth.

As automation and data analytics lead the technology penetration across the industry verticals, post-pandemic, India is quickly becoming a hub for experimentation of various innovations for GCCs due to the sheer scale it offers. With portfolio expansion, GCCs are setting up technical CoEs to innovate from India

to the world. AI/ML CoEs have been set up by centers at every stage of maturity, indicating that India has successfully established itself as a forerunner in AI/ML. As work portfolio across technology verticals intensifies, more than 54% of GCCs have multi-function portfolios such as Retail, Finance & Accounting, HR, Procurement, Corporate IT, driven from India.

While the GCC ecosystem has matured over the years, there is a huge opportunity for growth in the coming years. With the pandemic blurring the lines between locations, there is an increased focus to drive market expansion activities with high-quality cost-efficient products/solutions from India.

As the country inches closer to becoming the fastest-growing economies in the world, Government & Industry bodies play a significant role in attracting large scale investments in the country by focusing on three key areas – advocating success stories of GCCs in the country, the introduction of technology skills at academia level as well as the adoption of future proof curriculum, and infrastructural development of Tier 2/3 cities to support hybrid working.

About NASSCOM

The National Association of Software and Services Companies (NASSCOM®) is the premier trade body and chamber of commerce of the Tech industry in India and comprises over 3000-member companies. Our membership spans across the entire spectrum of the industry from startups to multinationals and from products to services, Global Capability Centres to Engineering firms. Guided by India's vision to become a leading digital economy globally, NASSCOM focuses on accelerating the pace of transformation of the industry to emerge as the preferred enablers for global digital transformation. Our strategic imperatives are to reskill and upskill India's IT workforce to ensure that talent is future-ready in terms of new-age skills, strengthen the innovation quotient across industry verticals, create new market opportunities - both international and domestic, drive policy advocacy to advance innovation and ease of doing business, and build the Industry narrative with focus on Talent, Trust and Innovation. And, in everything we do, we will continue to champion the need for diversity and equal opportunity.

Satyaki Maitra	**Kavita Doshi**
NASSCOM Press Office – Genesis BCW	**NASSCOM**
+91 9958041503	+91 120 4990200
satyaki.maitra@genesis-bcw.com	kavita@nasscom.in