

SHAPING TOMORROW: AI AND THE RISE OF FINANCIAL SERVICES GCCs



EXECUTIVE SUMMARY

GCCs have transformed from cost-arbitrage offshore centers to innovation hubs. In particular, the legacy models for financial services GCCs no longer work. The convergence of technology and operations can elevate GCCs in financial services to strategic powerhouses that drive cost savings, process efficiencies, and pathbreaking solutions that leverage AI/ML. AI-first GCCs will succeed by focusing on three pillars: an integrated enterprise-wide strategy, strategic investments in people, data, and infrastructure, and the ability to leverage a thriving ecosystem to provide cutting-edge solutions.

The 1980s and 1990s marked a turning point in how technology reshaped business. Office automation, personal computing, and the early internet transformed enterprises, while gaming and digital entertainment signaled the beginning of a connected global economy. Against this backdrop, multinational corporations began setting up captive centers — offshore units designed to take advantage of cost and labor arbitrage in regions such as India and the Asia-Pacific. These once-modest operations have evolved from handling IT, finance, and customer services to becoming advanced Global Capability Centers (GCCs), leading the way in research and development (R&D), robotic process automation (RPA), data analytics, cloud, and artificial intelligence (AI) applications.

The early investments and efforts have paid off; the GCC market is expected to grow from the current USD 60 billion to over USD 100 billion by 2030.¹ Obviously, such growth comes with its own set of bumps. The shift of GCCs from a “cost-hub” to a “value-hub” requires a transformational model geared towards a deliberate, strategy-first approach. Let’s see why.

LEGACY GCC MODELS – PLAYING CATCH-UP

Captive centers or legacy GCCs began as offshore extensions of large companies, handling support functions like HR, IT, and finance. Focused on cost and labor arbitrage, they aimed to boost efficiency while ensuring control and compliance — especially in regulated industries. The model worked well when limited to operational tasks with a fixed scope and minimal strategic coordination.

The legacy GCC model is fast becoming obsolete. Businesses are now compelled to rethink how they adapt and succeed. Traditionally, GCCs kept technology and operations separate — by design, given their distinct skills, roles, pay structures, and reporting lines.

Today, those lines have blurred. The digital economy, emerging technologies, and shifting customer demands require GCCs to operate with greater cohesion and coordination. Automation and AI have redefined back-office work, pushing businesses to focus on outcomes and anticipate customer needs.

Legacy GCCs are often hampered by slow decision-making, rigid structures, weak alignment, and a heavy reliance on people instead of automation and AI. As financial services firms confront stricter regulations, rising cyber risks, and demands for speed and quality, they increasingly look to GCCs as strategic partners in innovation, not just execution.

THE INTEGRATED GCC OF THE FUTURE

Today, GCCs are increasingly engaging with both the Chief Information Officer (CIO) and Chief Operating Officer (COO) in alignment from the outset, underscoring the recognition that technology and operations are inseparable drivers of value. Instead of replicating traditional organizational silos, initiatives are now framed as a unified “operations plus technology play,” enabling enterprises to unlock significantly greater business impact.

This shift is also reflected in the way teams are being structured. The emerging model emphasizes smaller, co-located, and highly collaborative groups that integrate diverse expertise. These teams are empowered with autonomy, making them more agile and capable of delivering faster, more effective outcomes. By breaking down barriers and encouraging seamless collaboration, GCCs are building execution models that are both nimble and resilient.

AI is the catalyst for this integrated approach. Consider applications in financial services such as fraud detection. Machine learning models trained on historical data detect suspicious transactions, while generative AI enhances anomaly detection by modeling normal behavior to flag deviations. Out-of-pattern activity can trigger alerts or blocks in real time. Fraud prevention demands cross-functional collaboration across IT, operations, legal, customer service, and data science. To be effective, AI must be built directly into these processes as a core part of how teams work and deliver results.

What does all of this mean for GCCs? The convergence of tech and ops is the game-changer that will elevate GCCs into strategic powerhouses.

¹<https://gcc-pulse.com/community/a-slice-of-history-the-pioneers-of-indias-gcc-movement/>

UNLOCKING AI-FIRST GCC SUCCESS: THE THREE PILLARS



An Integrated Strategy

AI-first GCCs demand an enterprise-wide integrated strategy that tightly aligns technology, operations, and business priorities. Rather than treating AI as a standalone initiative, GCCs need to embed it into decision-making, process design, and customer engagement. For instance, an AI-powered solution for claims processing involves predictions for fraud, intelligent document management, and also keeping a human in the loop, resulting in reduced turnaround times.

Intelligent automation in business processes can redefine workflows, while predictive models result in proactive rather than reactive actions. It is essential to have customer experience and business stakeholders involved in the AI roadmap. An AI-governance board is essential for ensuring data privacy and the use of ethical AI.



Strategic Investments

Building an AI-powered GCC requires deliberate and sustained investments across three critical dimensions: people, data, and infrastructure. People strategies must focus on equipping technology, operations, and business teams with AI-enabled skills to foster cross-functional collaboration. Cross-cultural gaps between global teams will need to be addressed. Customer experience teams should participate in delivery. GCCs should also rotate talent and encourage nearshore presence to avoid feelings of isolation.

Data investments should ensure information is not just abundant but “fit for purpose” — clean, contextual, and enterprise-ready. On the infrastructure side, scalable storage, compute power, and operational platforms are essential to enable real-time AI applications that can support global business demands.



Leverage the Ecosystem

No GCC can build an AI-first model in isolation. Success comes from tapping the broader ecosystem — startups for agility, hyperscalers for scaling cloud platforms, and service providers for expertise. Literally a triad for growth and innovation.

Historically, GCCs tend to coexist in the same geographical location. For example, many product firms have set up their GCCs in India. This allows for a more productive GCC-to-GCC collaboration. Many GCC service providers also set up labs and sandboxes for startups and GCCs. This encourages them to experiment and collaborate on new ideas.

Partnering with System Integrators (SIs) in a hybrid GCC-SI model brings expertise in areas like cloud, automation, AI, cybersecurity, and data governance. This approach accelerates adoption, reduces time-to-value, and expands impact.

A collaborative approach positions GCCs as innovation hubs that accelerate transformation and create a competitive edge.

In India, GCCs are already powering end-to-end services for fintechs and financial institutions (FIs), delivering strategic, market-differentiating solutions such as retirement planning, digital inclusion, treasury management, onboarding, fraud detection, algorithmic trading, claims automation, and customer journey optimization. Close integration of product and tech teams enables innovation, as FIs tap AI, ML, and blockchain to drive growth, cut costs, streamline processes, and boost efficiency.

THE ROAD AHEAD

AI and Gen AI will be central to shaping the future of GCCs. The next wave is about shaping enterprise strategy, not just supporting it. Winning GCCs will embrace cloud-as-a-service, build domain-rich, skills-based talent, and measure impact through clear outcomes — while strengthening risk, advancing automation, and driving transformation at scale.

GCCs are growing in scope and confidence — moving from cost-saving support to AI-powered strategic engines driving compliance, analytics, and digital innovation. GCC success is no longer measured in full-time employees. It's measured in outcomes. The old GCC model offered a safety net: as support functions, they were insulated from failure. Today's GCCs own the wins and bear the losses. They're accountable for results, not just execution. In many ways, this is their coming of age.

Today's GCCs carry the edge: bold, intelligent, and unafraid to lead the next chapter of transformation.

SOURCES

1. <https://cio.eletsonline.com/article/the-24-year-evolution-of-indias-global-capability-centres/73352/>
2. <https://flow.db.com/more/macro-and-markets/the-rise-of-global-capability-centres-in-apac#!>
3. <https://ansr.com/blog/gcc-vs-captive-center-differences>
4. https://www.ey.com/en_in/insights/financial-services/how-financial-services-are-adapting-to-global-outsourcing-trends
5. <https://www.forbes.com/councils/forbestechcouncil/2025/06/24/from-back-office-to-brain-trust-why-gccs-need-to-become-ai-innovation-engines/>
6. <https://www.forbesindia.com/article/column/india-from-it-to-gcc-hub/95336/1>
7. <https://www.thoughtworks.com/perspectives/edition37-global-capability-centers/article>
8. <https://flow.db.com/more/macro-and-markets/the-rise-of-global-capability-centres-in-apac#!>
9. <https://flow.db.com/more/macro-and-markets/the-rise-of-global-capability-centres-in-apac#!>
10. <https://www.forbes.com/sites/peterbendorsamuel/2023/12/15/global-in-house-centers-captives-on-the-rise-and-challenge-core-vs-non-core/>
11. <https://inductusgcc.com/a-framework-for-measuring-gcc-success-from-cost-centers-to-innovation-hubs/>
12. <https://www.deloitte.com/us/en/insights/topics/business-strategy-growth/evolution-of-shared-services.html>
13. <https://www.docsumo.com/blogs/invoice-processing/artificial-intelligence>
14. <https://inductusgcc.com/the-impact-of-ai-on-gcc-operations-automation-efficiency-and-innovation/>
15. <https://www.cgi.com/en/blog/artificial-intelligence/reimagining-gccs-from-execution-engines-to-ai-powered-innovation-hubs>
16. <https://www.reuters.com/world/india/indias-global-centre-market-grow-105-billion-by-2030-says-nasscom-zinnov-report-2024-09-11/>
17. <https://gcc-pulse.com/community/a-slice-of-history-the-pioneers-of-indias-gcc-movement/>
18. <https://assets.kpmg.com/content/dam/kpmg/in/pdf/2022/01/bfsi-gccs-the-road-ahead-a-nasscom-kpmg-in-itiaive.pdf>

AUTHOR



Shrirang Raddi
Head of GCC relationships
Infosys Financial Services

#InfosysAIFirstGCC



Scan to know more

For more information, contact askus@infosys.com

Infosys[®]
Navigate your next

© 2025 Infosys Limited, Bengaluru, India. All Rights Reserved. Infosys believes the information in this document is accurate as of its publication date; such information is subject to change without notice. Infosys acknowledges the proprietary rights of other companies to the trademarks, product names and such other intellectual property rights mentioned in this document. Except as expressly permitted, neither this documentation nor any part of it may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, printing, photocopying, recording or otherwise, without the prior permission of Infosys Limited and/ or any named intellectual property rights holders under this document.