



**BLUEPRINTS**  
**FOR**  
**GCC**  
**EXCELLENCE**

A Deep Dive

JANUARY 2025

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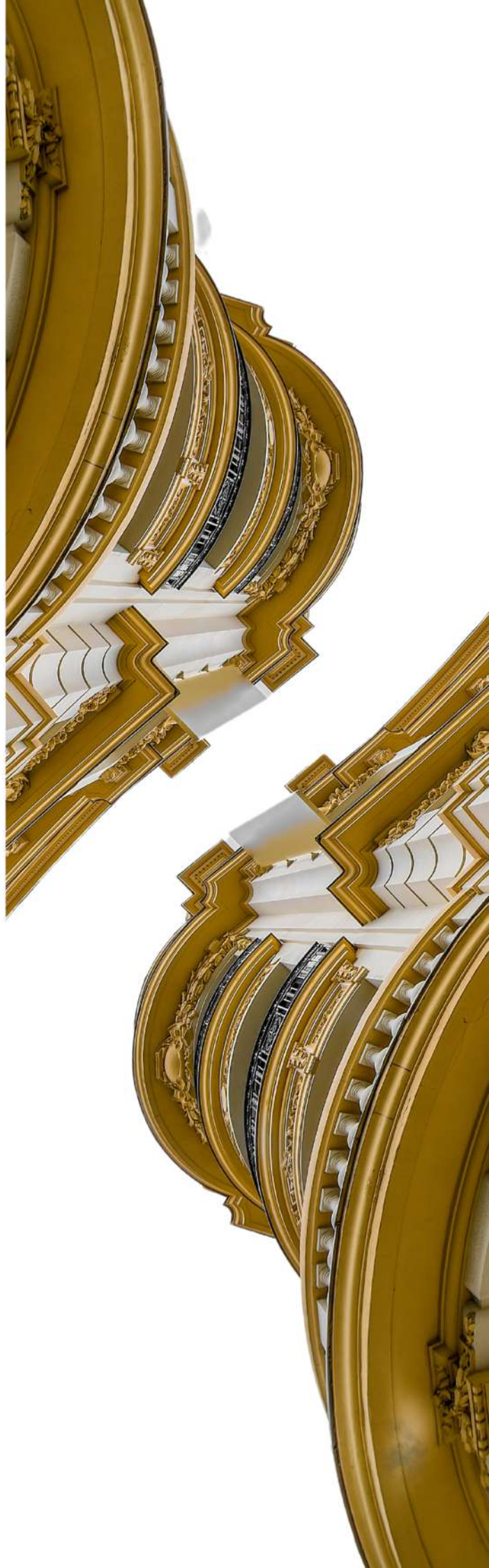




# Introduction

Global Capability Centers (GCCs) are game-changers for global businesses, streamlining operations and driving innovation. Two main models dominate the GCC landscape: **Company Owned, Company Operated (COCO)** and **Company Owned, Partner Operated (COPO)**. The COCO model offers businesses full control over their operations, ensuring alignment with corporate culture, priorities, and strict security measures. It's a **strong choice for companies with long-term plans to create innovation hubs and the resources to handle complex operations**. However, this model demands significant investment, local market expertise, and a skilled internal team, making it better suited for established global organizations.

On the other hand, the COPO model **blends ownership with partnership**, allowing businesses to outsource day-to-day operations to expert local partners. This approach leverages the partner's experience, scalability, and cost efficiency, **enabling quicker results and reduced operational risks**. It's a **great option for companies exploring new markets or looking to streamline processes without overextending internal resources**. While COPO may reduce direct control, a well-chosen partner can **ensure smooth operations and alignment with business goals**. Deciding between COCO and COPO depends on a company's objectives, risk tolerance, and operational readiness, making this choice a critical step in any GCC strategy.





# COMPANY OWNED, PARTNER OPERATED

The **Company Owned, Partner Operated (COPO)** model blends in-house ownership with the operational expertise of external partners. This hybrid framework is particularly suited for mid-sized GCCs and large corporations seeking cost-efficient scaling and operational agility.

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- F** **Intellectual Property (IP) Ownership** - The parent company retains ownership of all IP, ensuring control over innovations and proprietary knowledge.
- E** **Efficient Scaling** - Rapid scaling with minimal delays by leveraging the partner's infrastructure and talent pools.
- A** **Exclusive Full-Time Employees (FTEs)** - Partner-employed FTEs work exclusively for the parent company, ensuring focus and alignment.
- T** **Risk Diversification** - The parent company assumes operational responsibilities, reducing liability and operational risk.
- U** **Minimal Compliance Burdens** - The partner manages local regulatory and statutory compliance, freeing the parent company from these complexities.
- R** **Cost-Efficiency** - Operates on an operational expenditure (OpEx) model, reducing CapEx needs and accelerating time to market.
- E** **Operational Agility** - Allows the parent company to pivot swiftly in response to market dynamics, supported by the partner's expertise.
- S**

## Strategic Benefits

- Faster time to market with operational readiness achieved within 90 days.
- Enhanced cost-efficiency by eliminating CapEx and leveraging partner capabilities.
- Greater flexibility to adapt and scale operations dynamically.

## Challenges

- Relatively less control compared to the COCO model.
- Dependence on the partner for operational excellence and compliance.



# COMPANY OWNED, COMPANY OPERATED

The **Company Owned, Company Operated (COCO)** model involves the **parent company directly owning and managing its GCC without relying on external partners**. This approach grants full operational control and aligns the GCC's objectives tightly with the parent company's strategic goals.

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## K E Y F E A T U R E S

**Full Control** - 100% ownership and control over operations, workforce, technology, and intellectual property (IP).

**Investment in Infrastructure** - The parent company assumes full responsibility for capital expenditures (CapEx) and infrastructure development.

**Scalability and Flexibility** - Operations can be scaled or adjusted based on evolving business needs.

**Geographic and Functional Alignment** - Enables optimization for specific geographic or functional priorities (e.g., R&D, finance, customer support).

**Cost Efficiency** - While resource-intensive initially, long-term cost efficiency is achieved as the GCC matures.

### Strategic Benefits

- Ideal for companies with robust resources and a need for complete autonomy.
- Ensures seamless operational alignment with the parent company's objectives.

### Challenges

- **High initial CapEx requirements.**
- Greater **complexity in compliance** and regulatory management.
- **Limited agility** in adapting to dynamic market conditions.



# BUILD OPERATE TRANSFER

The **BOT model** is a approach for establishing GCCs that combines the expertise of a local partner with the long-term vision of the parent company. Under this model, a third-party service provider (or partner) is engaged to build and operate the GCC for an agreed-upon period, after which ownership and management are transitioned to the parent company.

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## Phased Implementation

- **Build:** Partner establishes the GCC with infrastructure, workforce, and resources.
- **Operate:** Partner oversees efficient operations, compliance, and KPI alignment.
- **Transfer:** Ownership transitions to the parent company at the agreed term's end.

## Talent Excellence

- Local partners recruit, train, and manage skilled talent tailored to GCC needs.
- Seamless knowledge transfer ensures operational continuity.

## Flexibility

- Enables scalable operations and market testing before full ownership.
- Ideal for entry into new geographies or industries.

## Strategic Benefits

- **Reduced Complexity:** Companies avoid navigating local legal, regulatory, and cultural landscapes independently.
- **Scalable and Customizable:** GCC operations can be scaled up or adjusted during the "Operate" phase to meet evolving business needs.
- **Knowledge Transfer:** The structured "Transfer" phase ensures that the parent company inherits a mature, efficient, and operationally sound GCC.

## Challenges

- **Dependency on Partner:** During the "Build" and "Operate" phases, the parent company relies heavily on the partner for performance and decision-making.
- **Transition Risks:** The "Transfer" phase can present challenges in knowledge transfer, cultural alignment, and operational continuity.
- **Cost Considerations:** While cost-efficient initially, the "Transfer" phase may involve additional investment to align the GCC fully with the parent company's systems and standards.
- **Limited Direct Control:** The parent company may have reduced oversight during the initial phases, requiring trust in the partner's capabilities.

# COCO vs. COPO

## Comparison: COCO vs. COPO

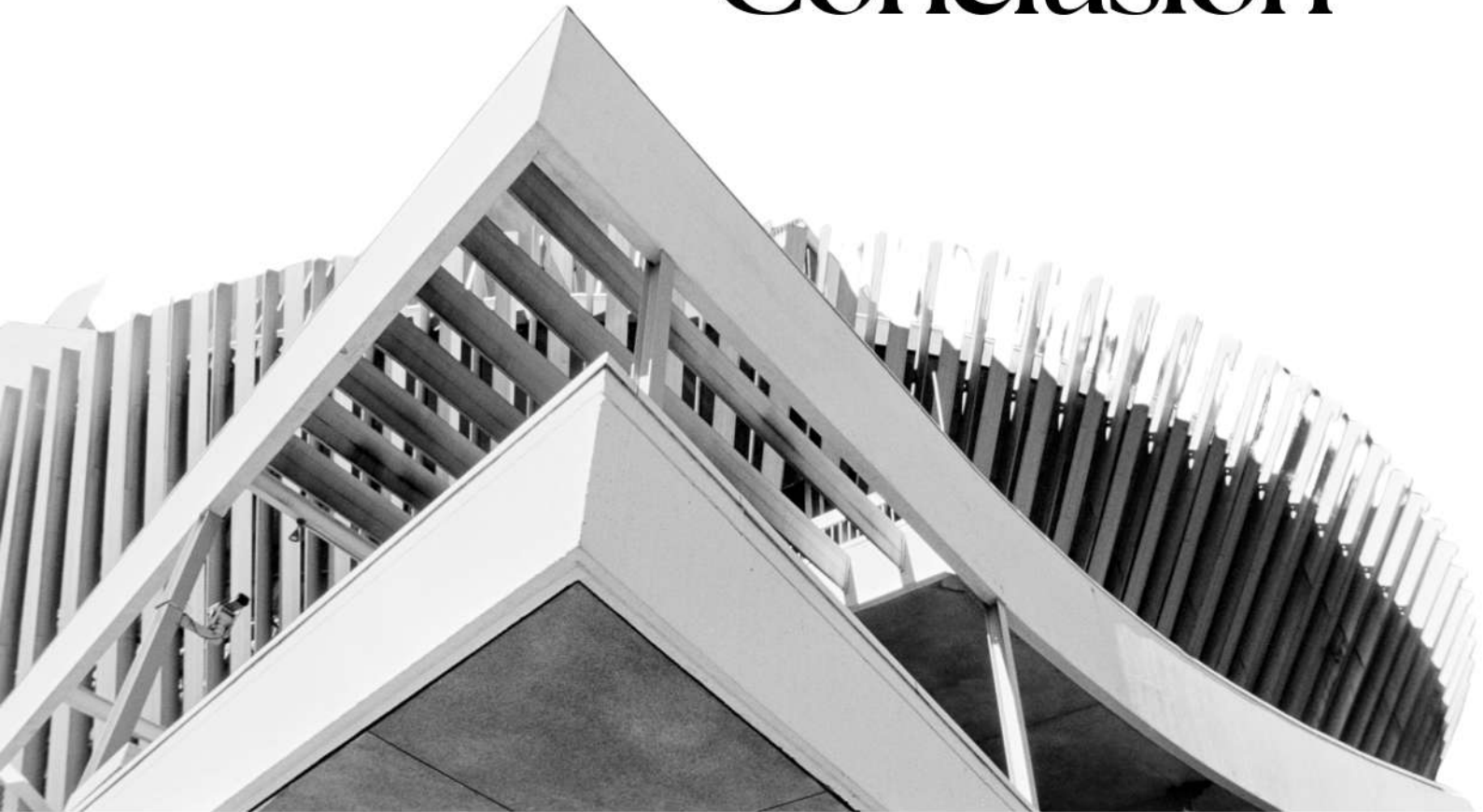
Feature	COCO	COPO
Control	Full	Full
Cost Structure	High CapEx, lower long-term OpEx	Negligible CapEx, Lower OpEx
Scalability	Slower	Faster
Compliance Burden	High & Tedious	Low to None
Time to Market	Substantial	Rapid
Operational Flexibility	Moderate	Elite
Risk Diversification	Minimal to None	Elite

## Use Cases and Recommendations

- **COCO Model:** Best for companies with abundant resources, strong in-house capabilities, and a preference for complete control over operations.
- **COPO Model:** Ideal for mid-sized firms or large corporations seeking cost-efficient scaling, operational agility, and minimal compliance burdens.



# Conclusion



The COPO service model offers an innovative, hybrid approach that is perfect for mid-sized GCCs looking to scale efficiently and for large corporates aiming to rein in operational expenditure. With a seamless blend of company ownership and partner-driven operations, the COPO model drives both short-term and long-term value through enhanced agility, minimal compliance burdens, and rapid scaling. It ensures that parent companies can focus on core strategic priorities while leveraging the best of external operational expertise, accelerating their growth in a competitive global marketplace.

**The Company Owned, Partner Operated (COPO)** model for Global Capability Centers (GCCs) stands out as an exceptionally strategic choice, particularly for mid-sized companies or large corporations aiming to optimize both cost-efficiency and scalability. It offers a powerful hybrid structure, **combining the benefits of owning intellectual property and strategic control while leveraging the operational expertise and infrastructure of an external partner.** This model ensures rapid scaling with minimal operational latency, avoiding the costly delays typical of traditional outsourcing. The COPO approach provides a distinctive advantage in risk diversification, as the partner assumes day-to-day management, reducing the parent company's operational burden and mitigating liabilities. Furthermore, the COPO model bypasses the complex statutory compliance challenges found in other models, as the partner takes on regulatory management. The parent company also benefits from significant cost savings, since capital expenditures are minimized, and operational expenses (OpEx) are optimized. This model delivers a faster time to market—operational readiness is achieved quickly, often within just 90 days—while maintaining agility in responding to dynamic market demands. This efficiency is particularly crucial for companies focused on long-term sustainability and growth.

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# Inductus **GCC** Service Models

— **India's Leading GCC Enabler** —

## **BOT** (Build-Operate-Transfer)

A structured pathway to establishing your GCC with minimized risk and maximum efficiency. We **build and operationalize** your center, ensuring seamless performance before **transferring full ownership** to you—equipping your business with a **mature, self-sustaining capability**.

## **COPO** (Company-Owned, Partner-Operated)

Maintain **full ownership** while leveraging Inductus' operational expertise. This model enables you to establish a GCC with **absolute control over intellectual assets (IP), agility, and scalability** while we manage day-to-day operations, **ensuring zero liability, compliance, and maximum efficiency**. Additionally, a **Zero Capex Model with Digital Twin or a Mirror Like Operational Structure** with superior process excellence.

## **FLEXI** (Adaptive & Custom GCC Solutions)

Beyond predefined structures, **Flexi is a bespoke model offering absolute customization and adaptability**.

It molds itself around your unique business prerequisites, evolving seamlessly with your vision. **This isn't just a service—it's an agile, high-impact partnership crafted to maximize your success.**

## **Why Inductus?**

*Inductus ensures that each model is executed with precision, innovation, and strategic foresight—helping you unlock the full potential of your GCC in India.*

Our deep expertise in GCCs, coupled with a strong network of industry partnerships and policy-level advisory, positions us as a trusted partner for driving transformational outcomes. We help organizations seamlessly navigate their GCC journey—from ideation to execution.

Do get more Insights pertaining to what we do [Click Here](#)

# Digital Twin or Mirror like Operational Structure



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*"In a world full of rapid tech & process disruptions, global corporations that invest in innovation-led R&D don't just survive—they lead. Innovation is the key to staying relevant, cost-competitive, and future-ready in an ever-evolving marketplace..."*

———— Alouk Kumar - CEO, Inductus ————

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At **Inductus GCC**, we implement a '**Digital Twin or Mirror-like Operational Structure**' to provide seamless, real-time services to our offshore clients.

*This model creates a virtual representation of physical systems and processes, enabling remote teams operating from different time zones to coordinate and collaborate effortlessly in real-time. It effectively serves as an extension of the central or core team.*

*This approach significantly enhances operational efficiencies and supports prompt decision-making. Additionally, it provides advantages such as seamless coordination across multiple time zones and fostering an innovation-driven research and development ecosystem.*



# INDUCTUS