Talent Strategy in Global In-house Centers (GICs) | Pinnacle Model™ Analysis

Pinnacle Model™ Report – January 2019: Complimentary Abstract / Table of Contents

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- Price book
- Pinnacle Accelerators
- Data cuts
- Analyst access
- Virtual Roundtables
- Workshops

Custom research capabilities

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

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Pinnacle Model™ research methodology

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Definition of Pinnacle GICs™

Pinnacle GICs™ are those that are able to achieve superior business outcomes because of their advanced talent capabilities. The journeys of these best-of-the-best companies provide insights into the key enablers needed to achieve desired outcomes and point to the investments required for the greatest speed to impact. Whether companies wish to make incremental changes or achieve major transformations, Pinnacle GICs™ exemplify the way to success.

	Define the topic	We evaluate multiple subjects to identify hot topics that will resonate globally with sourcing leaders. We work with internal and external subject matter experts (SMEs) to define the topic and set boundaries.
	Survey enterprises	We use surveys, Requests for Information (RFIs), and other data collection methods to gather information from GICs on capabilities and outcomes associated with their GIC talent strategies.
	Interview participants	We then conduct interviews/roundtables with a subset of participants to gain deeper perspectives on their experiences, challenges, and journeys.
	Form hypotheses	We form an emerging point of view on the correlation between capabilities and outcomes, adoption trends, and key success factors.
	Validate and refine	A cross-section of SMEs from various Everest Group research practices debates and refines the emerging hypotheses.
	Publish and educate	We compile and share final results with participants, our members, and other stakeholders in the global services sector. Participants also receive a high-level customized analysis.

In the current Pinnacle Model™ assessment, we look at **GIC talent strategies** to compare outcomes with associated capabilities
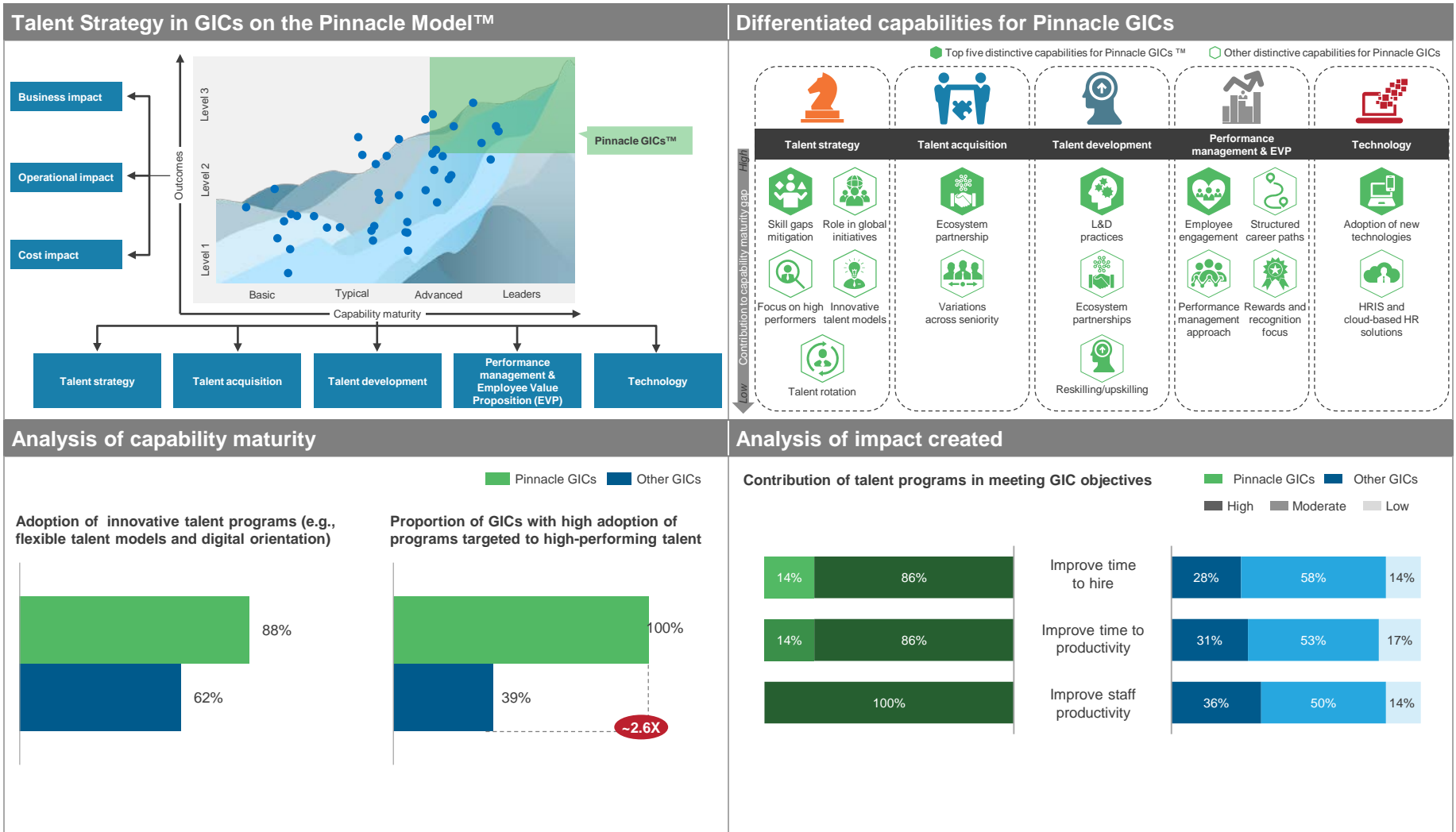
Pinnacle GIC™ differentiators

Accelerating the talent journey

Implications for GICs/enterprises

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This study offers five distinct chapters providing a deep dive into key aspects of talent strategy; below are four charts to illustrate the depth of the report

Talent Strategy in GICs on the Pinnacle Model™

- Business impact
- Operational impact
- Cost impact

Outcomes — Level 3, Level 2, Level 1
Capability maturity — Basic, Typical, Advanced, Leaders

Pinnacle GICs™

- Talent strategy
- Talent acquisition
- Talent development
- Performance management & Employee Value Proposition (EVP)
- Technology

Differentiated capabilities for Pinnacle GICs

● Top five distinctive capabilities for Pinnacle GICs ™   ○ Other distinctive capabilities for Pinnacle GICs

Contribution to capability maturity gap (High → Low)

Talent strategy	Talent acquisition	Talent development	Performance management & EVP	Technology
Skill gaps mitigation	Ecosystem partnership	L&D practices	Employee engagement / Structured career paths	Adoption of new technologies
Role in global initiatives				
Focus on high performers / Innovative talent models	Variations across seniority	Ecosystem partnerships	Performance management approach / Rewards and recognition focus	HRIS and cloud-based HR solutions
Talent rotation		Reskilling/upskilling		

Analysis of capability maturity

■ Pinnacle GICs   ■ Other GICs

Adoption of innovative talent programs (e.g., flexible talent models and digital orientation)

- Pinnacle GICs: 88%
- Other GICs: 62%

Proportion of GICs with high adoption of programs targeted to high-performing talent

- Pinnacle GICs: 100%
- Other GICs: 39%
- ~2.6X

Analysis of impact created

Contribution of talent programs in meeting GIC objectives

■ Pinnacle GICs   ■ Other GICs
■ High   ■ Moderate   ■ Low

	Pinnacle GICs		Other GICs		
Improve time to hire	14%	86%	28%	58%	14%
Improve time to productivity	14%	86%	31%	53%	17%
Improve staff productivity		100%	36%	50%	14%

Research calendar – Catalyst™

Flagship Catalyst reports	Release date
GIC Landscape Report: Delivery Landscape for Retail and Commercial Banking in GICs	June 2016
Global In-house Center (GIC) Landscape Report: The Philippines	December 2016
Global In-house Center (GIC) Landscape Annual Report 2017	March 2017
Global In-house Center (GIC) Landscape Annual Report 2018 – GICs Emerging as Innovation CoEs for Global Enterprises	May 2018

Thematic Catalyst reports	
Small But Mighty: Corporate Functions Delivery from GICs	April 2017
United States Shared Services Landscape – Facing Digital Winds-of-Change in a Tight Labor Market	September 2017
Building a Workforce of the Future – Upskilling/Reskilling in Global In-house Centers	December 2017
Best Practices for RPA Implementation in GICs	December 2017
BFSI GICs: Orchestrating Their Way to Digital Growth	December 2017
Viewpoint | IT Skills of the Future	April 2018
Digital Maturity in GICs | Pinnacle Model™ Assessment 2018	May 2018
Engineering Services Global In-house Centers (GICs) In India: Focusing on Innovation to Drive Growth and Attain Global Leadership	October 2018
Banking, Financial Services, & Insurance GICs: Gaining Status, Driving Results	December 2018
Innovation in GICs	December 2018
Talent Strategy in Global In-house Centers (GICs) | Pinnacle Model™ Analysis 2019	January 2019

Note: For a list of all Catalyst reports, please visit the catalyst on our report portal

Additional Catalyst™ research references

The following documents are recommended for additional insight into the topic covered in this report. The recommended documents either provide additional details, or complementary content that may be of interest:

1. **Digital Maturity in GICs – Pinnacle Model™ Analysis 2018** (EGR-2018-42-R-2693); 2016**:** This Everest Group report focuses on understanding the digital journey of Pinnacle GICs that have developed a combination of differentiated capabilities along with deriving superior outcomes. The assessment is based on evaluation of the digital capabilities of 54 leading GICs across verticals

2. **Building a Workforce of the Future – Upskilling/Reskilling in Global In-house Centers** (EGR-2017-2-R-2499); 2017. Skills and competencies required by GICs to deliver services are changing rapidly. In addition to the need for different skills in the future, the talent challenges for GICs will intensify with the increasing automation of the existing services portfolio. As a result, GICs face the dual risks of a large existing workforce with multiple skills that are likely to become redundant, while struggling to find external talent with the skills required for the future. In this research, we surveyed senior leaders from 80+ GICs across leading offshore/nearshore locations to gather perspectives on the nature of skills/competencies needed for the future, and the roles GICs can play to help address these changing skill requirements

3. **Global In-house Center (GIC) Landscape Annual Report 2018 – GICs Emerging as Innovation CoEs for Global Enterprises** (EGR-2018-34-R-2616); 2018. This report provides an in-depth analysis of the GIC landscape and trends. It covers market size, growth, and distribution of GICs by buyer portfolio, scale, functions supported, and offshore delivery locations. The research also provides an overview of the trends witnessed in the overall GIC landscape in 2017. This has been compared with GIC activity for the previous two years, to bring forth key areas of differences

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Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empower clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

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