

Global Business Services (GBS) State of the Market 2023: Onward and Upward

September 2023: Complimentary Abstract / Table of Contents



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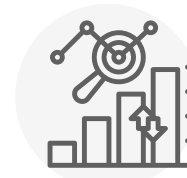
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Background and scope of the research

Global companies have built strong GBS models over the last three decades – today, 7,500+ GBS organizations form an extensive network across geographies and industries offering a diverse set of capabilities across core operations, IT, and corporate functions. Events of the past five years – COVID-19, talent shortages, economic pressures, supply-chain disruptions, to name a few – have created immense pressure on global organizations. The GBS model has been instrumental in helping to meet the resulting challenges through cost optimization, continuous improvement, transformation, and innovation initiatives. This intersection of rising demand and increasing capability puts the GBS model at an inflection point, creating an opportunity to break through boundaries to firmly root itself as full strategic partners to their enterprises.

In this research, we analyze 7,500+ GBS organizations to identify and analyze key trends, unpack challenges and opportunities, and share learnings from leading GBS organizations. We have divided our research into two parts:



GBS State of the Market: Onward and Upward: offers a market assessment, including key challenges and success drivers from leading GBS



GBS Data Book 2023: offers data and an extensive quantitative analysis of the GBS market including trends across locations, industries, and functions

Overview and summary of key messages

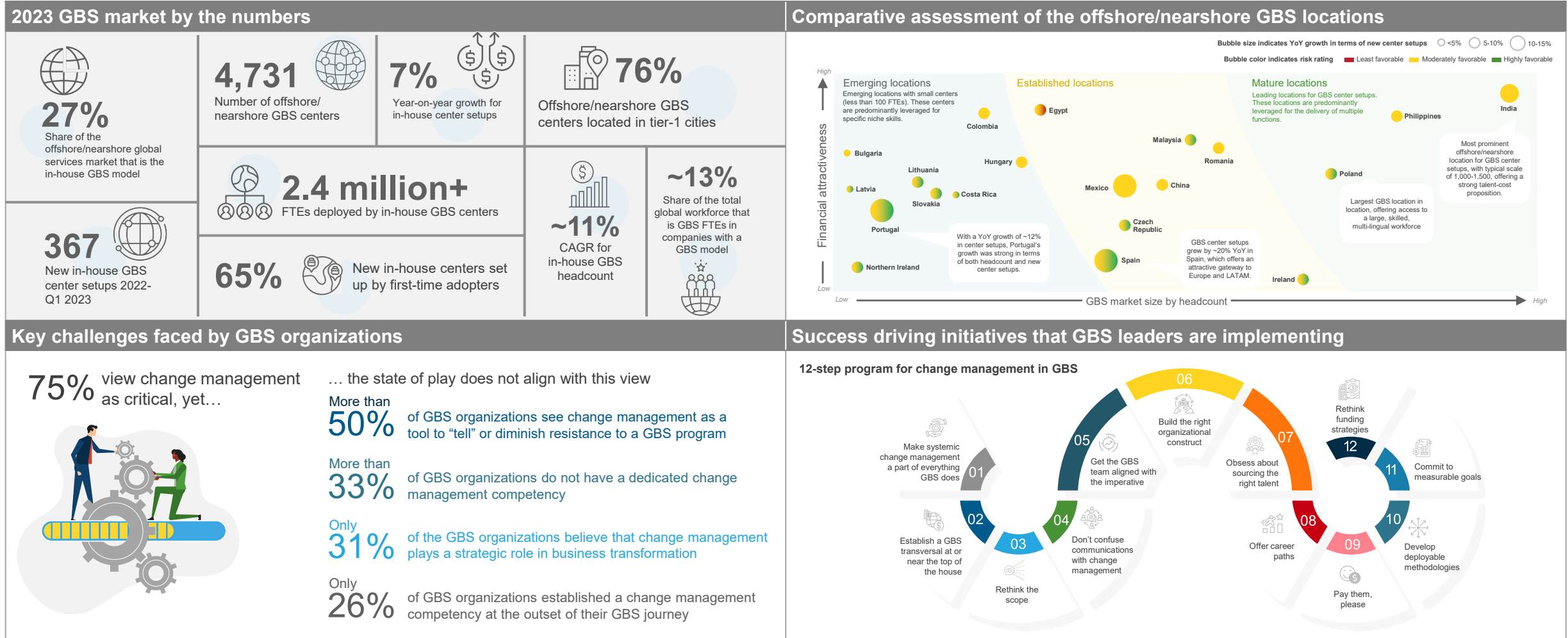
With more than 7,500 centers worldwide, about 4,700 of which are located in offshore/nearshore markets, deploying more than 2.4 million FTEs, the GBS market continued to grow in 2022-23. **The growth is now expanding to new adopters, especially, first-time adopters of the GBS model, new locations, and new capabilities.**

In spite of its growth and development, the GBS model faces major challenges, including the availability of skilled, project-ready talent and GBS' ability to attract and retain this talent. To make matters worse, organizations' investments in developing these capabilities are limited, constricting GBS' ability to address the challenge, and most GBS organizations are still being evaluated on traditional cost and operational performance metrics that are not aligned with the evolving model.

Looking forward, to address these and other challenges that will undoubtedly arise, GBS organizations need to take a programmatic

approach to change management. To address the current talent dilemma, leading GBS organizations are developing multi-pronged plans to improve talent acquisition, development, engagement, and retention practices. They are positioning GBS Employee Value Proposition (EVP) as a dynamic strategy that evolves continuously to ensure that GBS is the preferred employer for high-quality talent. Further, some GBS leaders are experimenting with new performance metrics, holding themselves and the GBS accountable for supporting the enterprise/CEO agenda of top-line growth, customer experience improvement, and transformation.

This report analyzes key trends in the GBS market, associated challenges, and learnings from leading GBS organizations; below are four charts to illustrate the depth of the report



Research calendar

GBS Membership

■ Published
 ■ Planned
 ■ Current release

Reports title	Release date
GBS of the Future: Toward an Integrated and Borderless GBS Model (Redefining GBS Personas)	March 2022
How-to Guide to Build CoEs in GBS Organizations	April 2022
Integrating Sustainability into the BFS GBS Charter to Help Enterprises Realize Their ESG Goals	November 2022
State of Play in GBS Change Management	November 2022
GBS CXO Insights: Key Issues Report 2023	April 2023
GBS Cost Benchmarks Book	May 2023
Top GBS Employers™ 2023	June 2023
Generative AI: Is This the Disruption GBS Model Needs or Just Another Over-Hyped Technology	August 2023
Learnings from Top GBS Employers™ – a Case Study Compendium	August 2023
Global Business Services (GBS) State of the Market 2023: Onward and Upward	September 2023
Global Business Services (GBS) Data Book 2023	Q4 2023
GBS Models to Launch CPG Organizations into the Next Wave of Evolution	Q4 2023
GBS Landscape for the Life Sciences Industry	Q4 2023
The Role of GBS in the Driving Environment, Social, and Governance (ESG) Agendas for Their Organizations	Q4 2023
Managing the Hybrid Resourcing Model in Global Business Services (GBS) Organizations	Q4 2023

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