

Why GCoE Accelerator Is The Perfect Scale Fast, Fail Fast Mechanism

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The decision to globalize is fraught with challenges. It requires thorough planning around business outcomes, scale, infrastructure, and costs. With so many variables involved, the risks of globalizing are amplified, forcing companies to face the dilemma of when and how to globalize. The leadership teams often use their mental bandwidth in orchestrating the center set-up process and managing local vendors instead of focusing on the technology and innovation that they want to drive from the new center.

In our 19+ years of experience in helping companies set up their global centers, we have worked with organizations from varied verticals, of varied sizes, with their own unique set of challenges.

However, some common underlying concerns that have surfaced are –

Leadership Challenges

- › Leadership's mental bandwidth is occupied with Globalization transition management
- › Leadership and senior management spend time and energy on logistics and other tactical operations instead of technology and product development

Operational Challenges

- › Lack of on-ground support in the selection and management of vendors (legal, entity incorporation, hiring, real estate, technology experts)
- › Challenges around selecting the right location due to lack of knowledge and insights on the local ecosystems and capabilities

Transition Challenges

- › Difficulty in the identification of the right project/product to transition
- › Long waiting time before the center is set up, resulting in a delay in starting actual technology development
- › Lack of infrastructure to get started with the hiring process, which leads to substandard hiring experience for candidates

Scaling Challenges

- › Lack of maturity in new centers.
- › Lack of flexibility in scaling operations, which includes ramping up beyond the initially estimated office space capacity or the sunk cost of ‘unused real estate or other infrastructure’ as you ramp up

Regulatory Challenges

- › Complex regulatory and compliance mandates in some geographies and lack of local support to manage the regulatory expectations can hinder the center setup process

In addition to these challenges, there’s also an undeniable need for companies to be fast. **The Global Center of Excellence (GCoE) Accelerator model speeds up the globalization process** by ensuring that there’s ease of implementation of strategies and that the leadership spends their time focusing on technology deliverables and innovation.

So, what is the Global Center of Excellence Accelerator Model?

The Global Center of Excellence Accelerator is a “CaaS” (Center As A Service) offering pioneered by Zinnov. This model enables a frictionless journey from building a strategic design/playbook for a GCoE, all the way to on-ground implementation and operations in a rapid and cost-effective manner. It is a one-stop solution for companies to build and rapidly scale their global delivery presence in a global talent hotspot.

The role of the partner in this model is crucial as they will help organizations identify the right projects and products to transition, and manage knowledge transfer, L&D programs, leadership coaching, etc. They will also streamline the recruitment process to find the top talent, which also includes creating an employer brand in the local ecosystem.

In a traditional Global Center of Excellence setup model, an engineering head or R&D head is usually the sponsor of the center setup project. However, due to a plethora of other commitments that the sponsor has, the project takes a hit and tends to get delayed. With the Global Center of Excellence Accelerator model, the entire setup is taken care of by Zinnov, which includes:

a. **Design** – This includes clearly defining the company's problems and the purpose of setting up the Accelerator, conduct workshops with key stakeholders, conduct a thorough location/skills/site analysis for the Accelerator, and devise a suitable organization structure, portfolio transition plan, along with a 3-year plan for center growth with financial models.

b. **Implementation and Value Creation** – This includes establishing and managing the Accelerator end-to-end, from entity incorporation to facility setup, end-to-end talent acquisition and knowledge transitioning, and full operations management (IT, HR, Finance & Accounting, Legal, etc.). This model allows companies to focus on building capability for end-to-end ownership of product development, building brand equity, strong customer/partner relationships to create value for the company.

c. **Governance** – Periodically assess the maturity of the GCoE using Zinnov's proprietary **Center Maturity model** by looking at dimensions such as technology leadership, technology competency, domain expertise, brand equity, employee retention, customer relationships build by the GCoE, and advise the customer on filling the gaps to be a world-class GCoE.

The GCoE Accelerator model ensures a hassle-free setup process for the sponsor and gives them a chance to focus on the core functions to be delivered from the new center. Through the Accelerator model, companies can onboard the first center employees in as little as 3 months. In addition, there is minimal upfront investment cost in this plug-and-play model.

Why the GCoE Accelerator Model works

Benefits of the GCoE Accelerator Model



Here are the major advantages of a Global Center of Excellence Accelerator model over traditional GCoE setup models:

Setup in weeks: Typically, a center takes months to set up and with heavy involvement of current teams, which makes it harder to make progress. With an optimized project management framework and end-to-end process mapping of setup activities, the time to set up the center is highly accelerated, thus saving valuable time and resources of the company. With the GCoE Accelerator, the center can be up and running in a few weeks with minimal support from the company's current cross-functional teams – HR, Finance, Legal, Recruiting, and Facilities; all this while providing complete transparency to the teams working out of HQ.

Cost Savings: The Accelerator allows companies to trade capital expense (long term lease, leasehold improvements, hiring of functional teams) for the variable expense and only pay for what they consume. The infrastructure and support costs are payable as a managed service on a per-employee basis with a commitment of only 6 months. Plus, the variable expense is much lower because of the larger economies of scale.

Agility and High Value: The Accelerator allows companies to innovate faster because they can dedicate global resources on developing products that differentiate their business and transform customer experiences rather than managing infrastructure. With GCoE Accelerator, companies can quickly hire the right people and transition the important existing and new products to the teams in the new center using a product transition framework. The Global Center of Excellence Accelerator model also allows companies to get easy and fast to access a broad range of globalization tools, frameworks, and experts as per their requirements. The cost of failure in this model is low as companies can flexibly de-provision resources without substantial risks.

Flexibility: The pay-as-you-go model and on-site support from the partner eases the migration process and provides flexibility to move at the speed which the current teams are comfortable with. The partner's goal here is to make globalization a cakewalk for companies while helping them generate the highest value from their global talent.

Safe Launchpad: The Global Center of Excellence Accelerator model can be a good way to test, experiment, and explore the talent bed of a new geographical location without incurring upfront huge CapEx cost on real estate, etc. The plug-and-play office space enables the flexibility to incur costs in line with the current team size. It can further help companies plan for scaling or set up centers of excellence based on the availability of niche talent.

Using this model, **companies can benefit from the full power and speed of leveraging global talent, but with lower risk, no long-term commitment, lower upfront investment, and ultimately, significantly more flexibility compared to traditional models of setting up a GCoE.** Through this model, we ensure a strong center foundation by focusing on talent strategy, organization structure, and executive buy-in, and then taking care of all the heavy lifting required to build and run a GCoE. This includes a plug-and-play office, end-to-end recruitment to hire top talent, and complete management of the operational activities required to run the center such as talent management, finance, legal, and IT.

Looking beyond the Operational Advantages

The Global Center of Excellence Accelerator model doesn't just accelerate the center setup process but also **accelerates the maturity of the center**. As a part of this model, the partner helps organizations identify the right projects and products to transition, and manage knowledge transfer, L&D programs, leadership coaching, etc. The partner also takes care of the recruitment process to find the top talent, which also includes creating an employer brand in the local ecosystem. The GCoE Accelerator model ensures that there's ease of implementation of strategies, and leadership spends their time focusing on technology deliverables and innovation.

Today, in a world where time is of the essence and there is a need to **fail fast and scale fast**, the GCoE Accelerator model could be just the strategic initiative that companies need to differentiate themselves from the competition.

Zinnov has partnered with companies to provide them with actionable insights as they embark on their globalization journey. Write to us at info@zinnov.com and discover how a GCoE Accelerator model can help you scale fast.