

Strategic Talent Acquisition and Retention for Sustainable Capability Development in Global Capability Centers: A Systematic Literature Review

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Abstract

Global Capability Centers (GCCs) have developed as strategic revolution and capability hubs for multinational institutions, playing an significant part in leading to digital revolution, product development and universal business processes. India has a lot of these centers in cities like Pune due to the availability of talented people and good infrastructure. Even with all these talented people GCCs still have a hard time finding and keeping good employees. This is a problem because they need good people to be successful in the long run; sustaining good talent is a challenge.

This study intends to examine the role of strategic talent acquisition and retention practices in developing sustainable talent capabilities in GCCs in Pune. The research emphasizes on comprehending how organized staffing strategies, employer branding, learning and development initiatives, career advancement initiatives and employee engagement impact capability development such as skill profundity, leadership pipeline and innovation. The study adopts a qualitative research approach, supported by secondary data collected from research papers, articles and company reports.

The study will contribute to both academic literature and industry practice by providing perceptions into the connection between talent management strategies and long-term capability sustainability in GCCs. The results of the study will be helpful for the people in charge of GCCs, human resources workers and policymakers. They can use the results to come up with plans, for finding and keeping employees which will help their companies grow and be successful.

Keywords: Talent Acquisition, Talent Retention, Sustainability, Capability Development, Global Capability Centers

Introduction

GCCs are specialized offshore hubs that manage critical operations such as research and development, IT support and analytics while focusing on innovation, strategy and efficiency. These hubs are located in cost-effective regions and operate across sectors such as Technology and IT Services, Banking, Financial Services and Insurance (BFSI), Manufacturing & Automotive, and Healthcare & Pharmaceuticals. Over time, GCCs have evolved from cost-arbitrage centers into strategic business enablers that drive digital transformation and create value. They aim to attract global talent and technological advancement to enhance organizational capabilities and business transformation, which requires hiring niche talent. India is considered the world's GCC capital. The country hosts more than 1700 GCCs employing around 1.9 million professionals. These numbers continue to grow due to the availability of inexpensive skilled labour, strong infrastructure and favourable government policies. It is estimated that the number of GCCs will reach around 2400 by 2030, employing approximately 2.8 million professionals.

Pune is one of the top GCC pivots in India, holding more than 360 GCCs with plans for constant extension. The availability of skilled talent from top academic institutions is a major advantage. Pune also has a strong industrial ecosystem, particularly in IT, BFSI and Manufacturing.

The Government of Maharashtra made a plan called the **Maharashtra GCC Policy 2025**. This plan wants to

make groups of companies that work in the area give them special help and connect them with other companies around the world. The plan wants to make 400 GCCs and create 400,000 good jobs. This will help Maharashtra become a place, for business. This makes Pune an ideal focus area for this research.

Talent Acquisition

Finding the right people to work for a company is a process. It is not about filling a job opening it is about planning for the future making the company look good to potential employees and building relationships. This way a company can have a stream of talented people to choose from. It involves thinking about what kind of people the company will need in the future making sure the people who apply have an experience and actually hiring them. Finding the right people is a long-term thing it is about growing and developing the company in a way that will last. It is different from hiring someone to fill a job it is, about building a network of people who might work for the company someday. Just finding people is not enough because if the company cannot keep them, they will lose the knowledge and skills that those people have.

Talent Retention

Talent retention is about keeping employees with an organization for a time. This is done by reducing the number of employees who leave. It is a process that helps keep employee knowledge and skills within the organization. Organizations may do it by offering career development programs helping employees grow, employee engagement initiatives which make employees feel involved and leadership development which helps employees become leaders. When organizations focus on both hiring talent and keeping current employees, they build a strong and capable team. This helps the organization succeed in the run. Talent retention and acquisition are both important, for capability development.

The Problem

The major problem faced by GCCs is attrition. Multiple industry reports indicate that the attrition levels in IT companies' range between 14% and 20%. Retention is critical for business continuity because the average tenure of IT employees is 3–4 years. These factors make talent retention a key element of business continuity in the IT industry.

Talent acquisition involves campus hiring, lateral hiring for niche skills and digital talent recruitment. These strategies directly influence capability development. However, India's GCC ecosystem faces talent shortages in emerging technologies, making acquisition a significant challenge.

Successful GCCs may have handled 2-3 employee churning cycles. This is not the case with all GCCs. To tackle this problem of employee churning, there is a need for a sustainable model for talent retention.

Objectives

1. To systematically review literature on talent acquisition and retention practices in GCCs.
2. To analyze the relationship between talent management practices and capability development in GCCs.
3. To identify key strategic dimensions of talent acquisition and retention in knowledge- intensive environments.
4. To examine research gaps in sustainable talent capability development within GCCs.

Literature Review

Riya 2025 [4] has given an active quality opinion that explicitly comprises Talent Excellence as one of four pillars along with strategic position, process quality and technology leadership, endorsing complete talent development plans and career progression to retain top talent.

Yadav (2025) [5] in his study inspects the organizational challenges of human capital development in India

pertaining to fast growing GCCs, highlighting the inconsistency between India's large graduates passing out and small employability rates.

Jha & Seth 2025 [6] stated in their research that the growth of Indian GCCs from cost- arbitrage units to cutting-edge strategic hubs.

Ojha et al. 2025 [7] places Indian GCCs as progressing from support to co-creation and strategic capability centers, functioning across advanced service lines including AI/digital transformation, cybersecurity, etc.

Bagri et al. 2025 [8] in their research clarify the evolution of GCCs to innovation-led value creation requiring progressive competences.

Thukral, A 2025 [9] in his study scrutinizes the progress of Indian GCCs (GCCs) from cost-centric back-office hubs to innovation-driven strategic units, stressing the impetus of transformative technologies such as AI/ML, cloud computing, IoT and blockchain.

The report on by Zinnov 2025 [10] analyzes salary increase, attrition and hiring traits across the Indian Global Capability Centre (GCC) grounded on acumens from over 93 organizations and 146 centres.

The NASSCOM GCC Playbook for Maharashtra (2025) [11] scrutinizes the evolution and strategic importance of GCCs (GCCs) in the state of Maharashtra, highlighting its advent as a major hub for multinational organizations launching technology and innovation centres. Nagalakshmi & Sricharan (2024) [12] empirically represents GCC performance and clearly indulges talent management as an essential concept inducing performance in their research.

Kanupriya (2024) [13] offers a macro understanding of India's GCC route—from cost arbitrage to innovation and transformation and clearly notes an “emergent focus” on supports that include talent acquisition and retention, together with strategy, digitalisation, data/cybersecurity.

The Inductus GCC Whitepaper (2024) [14] on offers a strategic business viewpoint on India's GCC ecology, predicting evolution to over 1,700+ centres and accentuating the evolution near multi-functional invention hubs.

Tiwari et al. (2024) [15] place India as a global GCC hub and emphasizes talent accessibility, aligned HR leadership, strong organizational culture and strategic operating models as key influences aiding GCCs to evolve into innovation hubs that need thoughtful capability building, leadership development and talent acquisition–retention strategies to sustain advanced competencies.

KPMG and NASSCOM (2024) [16] places talent as the primary Indian GCCs, with over 72% of GCC leaders classifying talent management as a key concern in their report.

The ANSR (2024) [17] report offers detailed empirical insights into GCC growth, sector distribution, technology capability focusses and geographic extension tendencies in India.

Srivastava et al. (2023) [18] claim that global firms create GCCs in India to control its deep engineering and research talent for high-end R&D, AI/ML, digital transformation and product ownership, highlighting strategic factors such as city selection, top recruitment pipelines, leadership alignment and cross-border partnership that position India as a key innovation hub rather than merely a cost-efficient destination.

Patra and Krishna [19] looked at how research and development centres in India have a lot of workers and they work with local universities and other institutions and found that India is a place for these foreign research and development centres because it has a lot of talented people and good universities, not because it is cheap.

Hannon and Becker [20] claim that GCC investments are motivated by the need to interest highest technology and innovation talent, which they recognize as central to GCC growth. They highpoint key challenges including high attrition, difficulty in acquiring niche talent, and weak employer branding. The authors conclude that strengthening talent acquisition and retention strategies is essential for long-term GCC competitiveness and success.

The Egon Zehnder [21] talk about how GCCs are changing. They used to save money but now they help create

new ideas. The report says that GCCs need ways to manage leadership. It mentions two examples: the "Spiky GM" model. Egon Zehnder [21] also say that GCCs need to plan for the future. This means thinking about who will take over when leaders leave, culture of the GCC.

KPMG and NASSCOM [22] report that Engineering R&D GCCs in India have moved from cost-saving units to innovation and end-to-end product ownership centres. India's robust STEM talent base and helpful government policies have aided this change. The report stresses that ER&D specialists must incessantly upskill and grow leadership competences, while organisations must prioritise retention to shape a permanent, high-performing talent base.

The Times of India [23] says that in 2023 there are more CXO-level roles in India-based GCCs. This is because these places are changing from doing everyday work to making big decisions and because of technology people working together from different places and companies trusting people from India more. This means that India-based GCCs are getting better at leading and making decisions and India is becoming a big place where important choices are made.

According to Times of India [24] (2025), mid-market GCCs are amid India's quick growth sectors, representing 27% of all GCCs with over 2.1 lakh employees. Leveraging India's strength in product management, deep-tech and AI, these centres encourage employees to leadership roles 20% faster than peers. They fast-track growth by conveying early responsibility and aiding quicker career advancement. They are also growing into Tier-2 cities to access broader talent pools and reduce costs.

The KPMG [25] report (2022) highpoints vital enablers of India's GCC ecosystem, remarking that Budget 2022 provisions digitalisation, R&D investment, AI initiatives and digital skilling platforms. It also references government efforts to permit overseas universities to function in India and create arbitration centres. The report calls for easy tax policy and robust infrastructure to withstand GCC growth. Critically, KPMG [25] emphasises that employees skilling and employability growth are vital for the long-term establishment of India's GCCs.

The Zinnov [26] report shows that companies are no longer just hiring a lot of people. Instead, they are looking for workers, with digital skills. People want to be paid based on how they do their job. Besides, people are leaving their jobs because they want to move up in their career and have flexibility. Companies are spending money to help their workers learn new skills. GCCs need to focus on building a workforce with the right skills to stay competitive.

NASSCOM [27] detects key plans to reinforce GCC talent pipelines, with initial job readiness, planned internships through university partnerships, and effective onboarding. It stresses on industry-academia association, employing for innovative thinking and constant upskilling to close competency gaps. The study concludes that a strong entry-level talent pipeline is crucial for the long-term growth and sustainability of GCCs.

NASSCOM [28] in 2024 talks about how India's digital economy is getting bigger and how GCCs are becoming important. It says that GCCs are helping people get jobs, learn skills and changing the way things work. The study says that having the people teaching them new things and helping them work well is very important for GCCs to keep growing and doing well.

Inductus GCC [29] talks about how GCCs are moving into smaller cities, like Pune as it is cheaper to operate, employees are less likely to leave their jobs and easy to hire new people. India has over 1,800 GCCs employing around 1.66 million people. To keep growing GCCs need to think about who they hire and make sure they have the right skills.

Accenture [30] states that GCCs are central to company transformation, not just cost savings; acting as hubs where top talent drives change in the age of intelligent technologies with India as the major country for GCCs. The report emphasizes that companies must rethink talent strategies, align goals, ensure strong leadership, and upskill employees. This requires a strategic approach to hiring for GCCs, focusing on future needs and long-term outcomes.

Hongal and Kinange [31] show a positive link between talent management and organizational performance but remain conceptual and lack GCC-specific empirical modelling. The study also overlooks lifecycle-based talent strategies and long-term capability building.

Research Gap

1. Limited research on sustainability factor in talent capability development

Many studies emphasize capability building, innovation and digital transformation in GCCs, but they do not show how these capabilities are built and sustained over time. Traditional HR practices treat TA & retention as functional metrics. These researches lack the lens of Sustainability. Thus, the link between talent acquisition, retention and longstanding capability development remains underexplored.

2. Absence of theoretical models co-relating relationship between strategic talent acquisition and retention practices and sustainable capability development

Some empirical studies found that managing talent affects how well a company does. But they do not give us a clear plan that connects talent acquisition and retention to how mature a company's abilities are, how innovative they are or how competitive they are, in the GCC. So, we need to create models for the same.

3. Lack of studies on talent practices specific to Pune GCC ecosystem

Most studies analyse GCCs at the national or global level, focusing on India as a whole. However, GCC ecosystems vary significantly across cities such as Bangalore, Hyderabad, Chennai, Mumbai and Pune.

4. Lack of empirical studies on strategic talent acquisition and retention

Most of the studies reviewed are based on talent management, capability development, or GCC evolution at a theoretical level, but very few empirically examine explicit talent acquisition and retention practices within GCCs. Therefore, there is a clear gap in empirically examining the strategic HR practices which help GCCs attract and retain talent.

5. Lack of empirical research on factors influencing attrition in GCCs

India's IT and GCC sector experiences significant attrition, yet many studies do not empirically analyse the influencing factors of attrition in GCC environments and retention strategies used by GCCs. Although reports recognize talent competition and skill shortages, there is limited research on well-defined retention models and their usefulness in sustaining talent capabilities.

Research Methodology

This study implements a Systematic Literature Review (SLR) method using the PRISMA framework to assure a clear, replicable and systematized merger of existing literature on strategic talent acquisition and retention for sustainable capability development in GCCs. The PRISMA methodology aids a comprehensive documentation of relevant studies, severe screening and selection process, elimination of unfairness and systematic broadcasting of findings.

Databases Used

The literature search was done across academic and industry databases. These databases included Scopus, Web of Science, Google Scholar, IEEE Xplore and ScienceDirect

Search Keywords

A combination of Boolean operators (AND, OR) was used:

"Global Capability Centers" OR "GCCs" OR "Global In-house Centers" OR "GICs" AND "Talent Acquisition" OR "Talent Management" OR "Hiring Strategy" AND "Talent Retention" OR "Employee Retention" OR

"Attrition" AND "Capability Development" OR "Skill Development" OR "Talent Capability" AND "Sustainability" OR "Sustainable Workforce" OR "Long-term Capability"

Search Period

- I looked at publications from 2015 to 2025.
- The focus was, on how GCCs have evolved into hubs that drive innovation and the challenges of talent encountered.

Inclusion and Exclusion Criteria

Studies were included if they:

- Focus on GCC, Global In-house Centers (GICs) or global talent ecosystems.
- Address talent acquisition, retention or capability development
- Include studies, reports or conceptual frameworks
- Are published in peer-reviewed journals or reputed industry reports
- Are written in English language
- Only focus on traditional HR practices that are not strategic
- Do not relate to GCC or global delivery models
- Are studies that have been done before the year 2020.
- Lack relevance, to sustainability of talent capability
- Are editorials, blogs or sources that are not credible

PRISMA Process Flow

The study follows the four step PRISMA process.

1. Identification

- Looking through databases, found around 350 to 500 studies.
- Identifying reports from companies like NASSCOM, KPMG and Zinnov.

2. Screening

- This included removal of duplicates.
- Checking the title and abstract of each study to see if it is relevant.
- Studies were filtered to around 120 studies.

3. Eligibility

- Reading the text of each study to see if it is relevant to my research.
- With this, I ended up with, around 80 studies that fit for my research.

4. Inclusion

- Choosing around 30 to 40 high quality studies to use in my analysis.

Data Analysis Technique

The study employs Thematic Analysis to create findings. Recurring themes such as talent acquisition challenges, retention strategies and capability development models were identified. These were categorized into strategic dimensions, operational practices and capability outcomes.

Quality Assessment

To ensure reliability, only peer-reviewed and high-impact reports were considered and were cross-validated across multiple sources. Emphasis was given on recent and relevant studies (post-2020 preferred).

Research Validity and Reliability

- Construct Validity: Use of established constructs (talent acquisition, retention, capability development)
- Internal Validity: Systematic filtering using PRISMA
- External Validity: Inclusion of global GCC studies
- Reliability: Replicable search strategy and selection criteria

Significance

1. This study shifts the perspective from “HR as a metric” to “HR as a sustainable capability” within strategic management.
3. The findings can help GCCs design more effective talent acquisition, retention and capability development strategies.
5. It helps Pune-based GCCs move from surviving high attrition to thriving through sustainable talent.

Scope of future research

1. Longitudinal Studies on Sustainable Talent Capability Development

Research in the future may utilize longitudinal study approach to explore the impact of talent acquisition and retention methods on capability development across an extended period, rather than focusing on a singular moment. This would enhance the comprehension of sustainability aspects, particularly in how organizations uphold competencies amidst changing technological and business environments. Investigations can monitor employee lifecycle information, capability progression and innovation results over several years.

2. Creation and Verification of Comprehensive Theoretical Frameworks

There is an opportunity to establish thorough conceptual and analytical models that connect Strategic Talent Acquisition, Talent Retention Practices, Sustainable Capability Development, and Organizational Competitiveness in GCCs. Future studies could utilize Structural Equation Modelling (SEM) or multivariate regression techniques to empirically test these connections. Interdisciplinary frameworks that combine Strategic HRM, Resource-Based View (RBV) and Dynamic Capabilities Theory can also be examined.

3. City-Centric Comparative Research Across GCC Areas

Future research could perform a comparative analysis among key GCC cities such as Pune, Bangalore, Hyderabad and Chennai. This would facilitate the identification of regional variations in talent availability, salary structures, retention issues and the maturity of ecosystems. Such analyses can yield localized HR approaches instead of broad national conclusions.

4. Empirical investigation into strategic talent acquisition practices

Future research could focus on data-driven analysis of hiring strategies, including the effectiveness of on-campus versus lateral hiring, the role of employer branding and EVP (Employee Value Proposition), the impact

of AI-based recruiting tools. Research can measure the ROI of talent acquisition strategies in terms of productivity, retention and empowerment.

5. In-Depth Research on Retention Strategies and Attrition Factors

There are significant opportunities for empirical research into the drivers of burnout, including compensation and career progression, work-life balance and hybrid work models, organizational culture and leadership. Advanced techniques such as predictive analytics and survival analysis can be used to model attrition risk. Future research could also evaluate the effectiveness of employee retention measures such as training programs, internal mobility and engagement initiatives.

6. The role of emerging technologies in sustainable talent management

Future research could explore how technologies such as AI-based HR analytics, predictive workforce planning and skills intelligence platforms can contribute to sustainable development and retention strategies. This is in line with the growing focus on digital transformation across the GCC ecosystem.

7. GCC Talent Ecosystem Capability Maturity Model

Researchers can develop a Talent Capability Maturity Model (TCMM) specific to the GCC countries. These models can define steps such as core talent acquisition, structured retention, integrated talent strategies and sustainable capability leadership. This helps organizations assess and improve the maturity of their talent.

8. Sector-Specific GCC Talent Studies

Future research can explore differences in talent strategies across industries such as BFSI, healthcare, manufacturing and technology. This provides insight into the industry's talent challenges and approach to sustainability.

9. Impact of Organizational Culture and Leadership on Sustainability

There is scope to examine how leadership styles, culture and employee experience influence retention, capability building and long-term sustainability. Qualitative studies (interviews, case studies) can complement quantitative findings.

10. Integrate HR strategy with business continuity and innovation

Future research could investigate the direct impact of talent attraction and retention in GCC countries on business continuity, innovation capacity and digital transformation success. This strengthens HR's strategic position as a business enabler.

Conclusion

This study shows the importance for GCCs to acquire and retain talent which enables sustainable talent capability development. As GCCs evolve into innovation-driven strategic hubs, talent has emerged as a key driver of organizational attractiveness and long-term value creation. The study found out that just getting people is not enough. To really build a team companies need to make sure their employees are happy and want to stay. This means giving them chances to grow learn things and feel like they are a part of the company. Getting people and keeping them should be connected throughout the whole process of hiring and managing employees. This helps companies build teams create leaders and come up with new ideas.

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