



2025 GBS study



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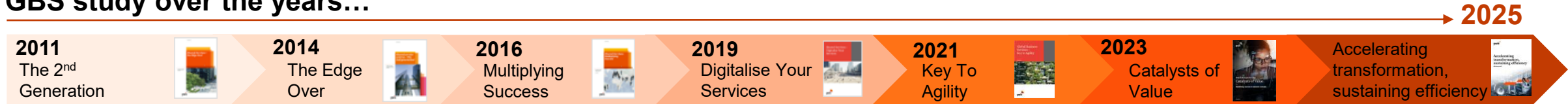
Accelerating transformation, sustaining efficiency

GBS Study 2025

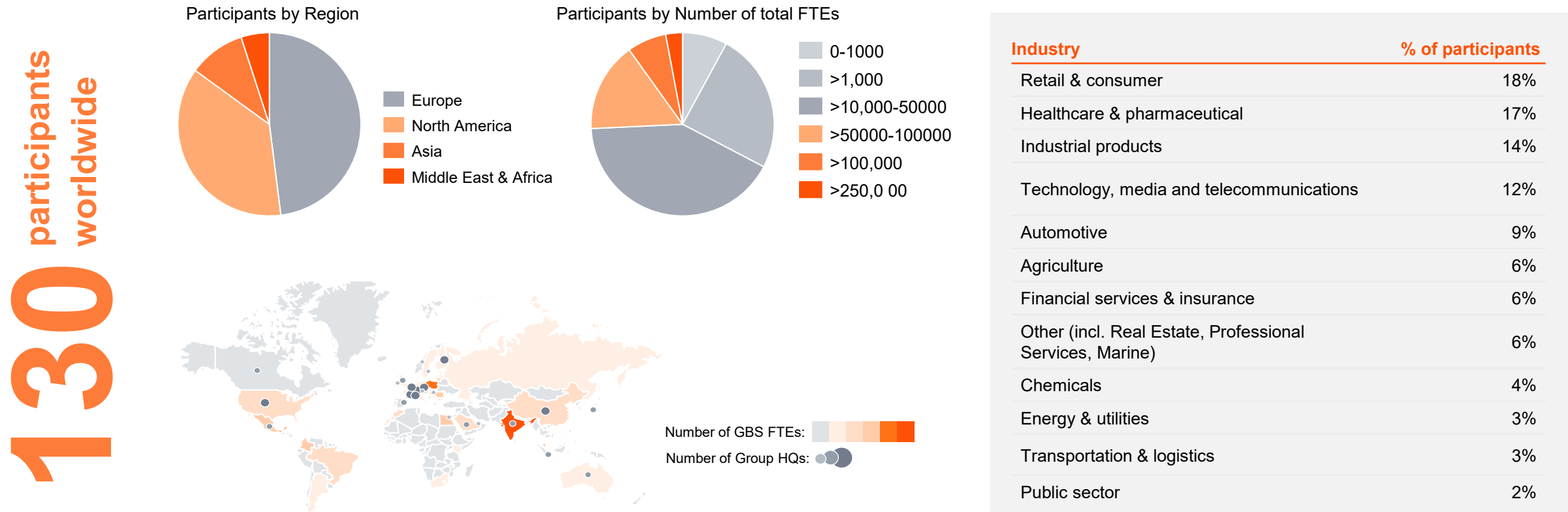


History and Survey Demographics of GBS study

GBS study over the years...



Survey Demographics



In the 2025 study, we find that GBS are enhancing their roles, moving from “mere” efficient execution engines to transformation drivers

The role of GBS is changing...

 ... from cost center to capability center

Through process and tech., GBS now deliver **value beyond monetary savings** by:

- **Lowering costs** for incremental revenue
- Enabling **greater productivity**
- Managing risks efficiently
- **Incubating new capability developments**, unlocking previously unreachable potentials

 ... from passenger to driver seat

Once a taker of process steps, GBS can now actively shape entire outcomes to:

- Shift focus from transactional excellence to **full ownership of end-to-end processes**
- Drive **automation and standardization across GBS and retained org.**
- **Communicate value added** by GBS beyond pure monetary savings

 ... from optimization to transformation

As **digital backbones** and stewards of an org.'s data, GBS are uniquely positioned to:

- Optimize their own processes with automation, advanced analytics and AI
- Apply this experience, paired with **in-house knowledge and tech expertise** to wider groups to **transform them**, using capabilities not available (at scale) in home markets

 ... from cheap labor to crucial talent

GBS have evolved into critical parts of resilient, well-staffed organizations by:

- Enabling multi-hub models to **balance cost, talent, and resilience** against the backdrop of today's geopolitical challenges
- Enabling **access to new markets for skills not available at home** and readying organizations for their next leap

From...

Distributed shared service with cheap and efficient delivery

To...

Global Business Services as **enhancers of competitive advantage**, with the ultimate goal of enhancing competitive advantage and shortening time to market

01

Processual Scope

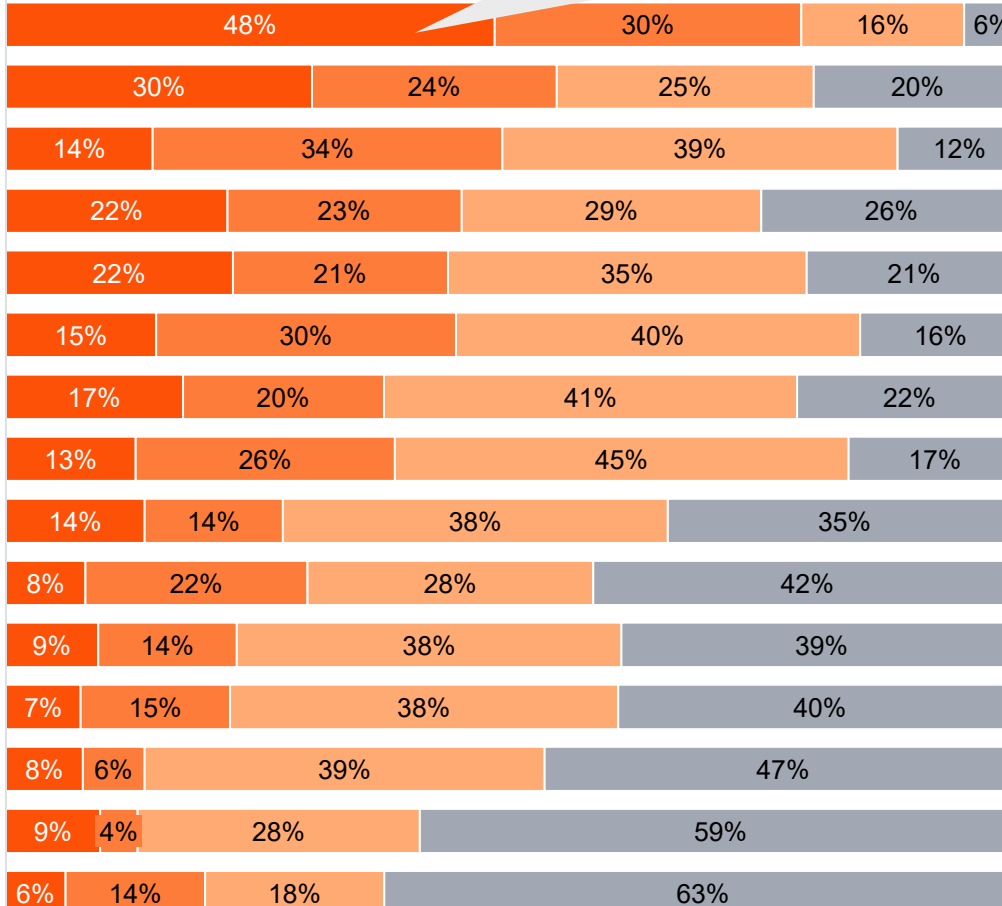
Please indicate % of total company-wide functional headcount located in the GBS organization?

Penetration rate

Accounting	56%
IT Support	39%
Procurement	32%
Advanced IT Services	32%
Tax	32%
HR	31%
Treasury	29%
Controlling & FP/A	28%
Internal Audit	24%
Logistics & Supply Chain	20%
Legal	17%
Sales	17%
Marketing & Communication	14%
Research and Development	14%
Engineering	12%

Distribution

How to read: "48% of study participants indicate that between 70% and 100% of their Accounting headcount sit in their GBS organization"



High (70-100%) Medium (30-69%) Low (1-29%) Not in GBS (0%)

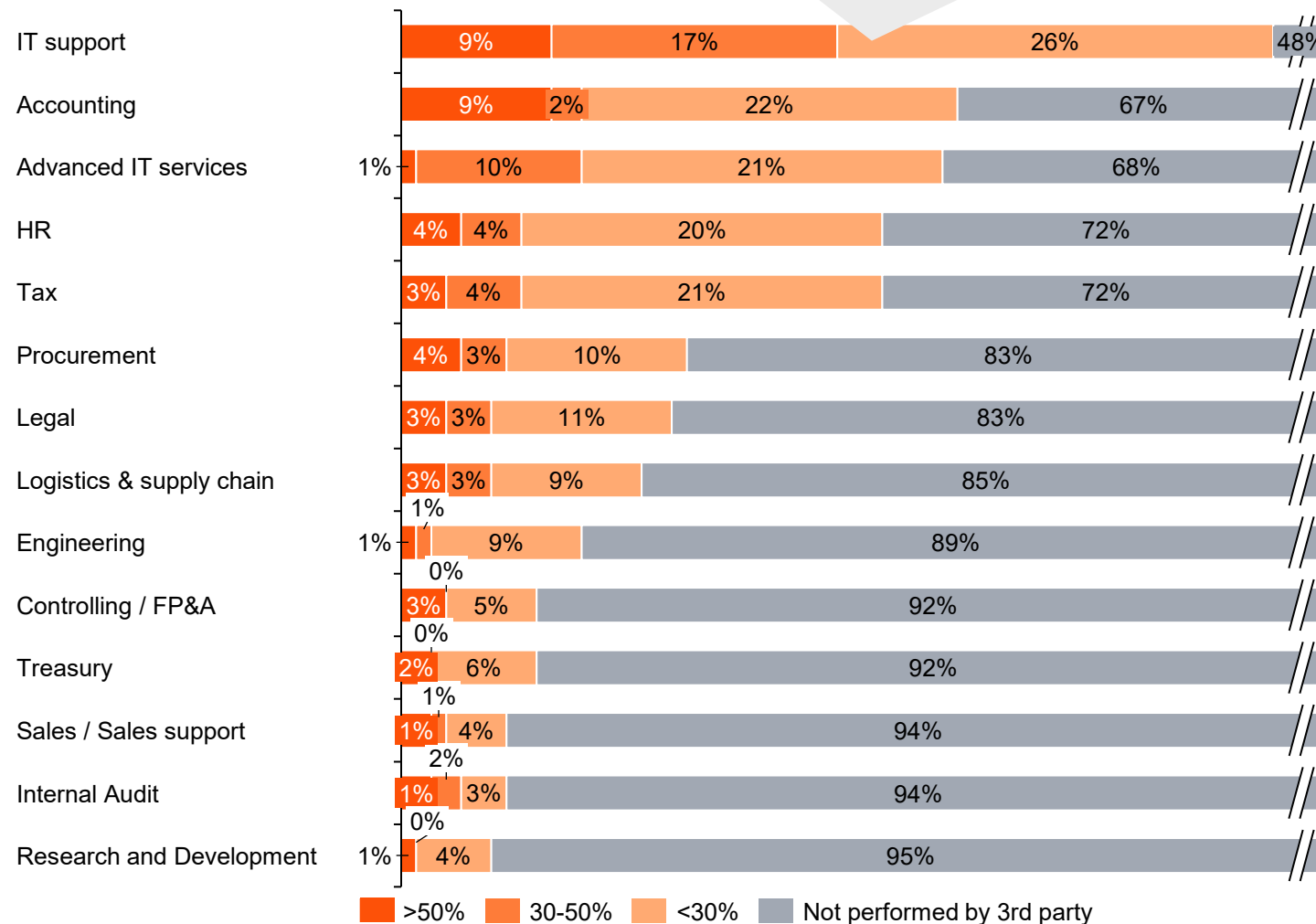


Key facts

- Back-office functions like **accounting**, **IT support** and **procurement** have the **highest GBS integration**, reflecting focus on efficiency
- Strategic functions such as **engineering** and **research & development** show **low penetration**, due to their close alignment with core operations
- Growing interest in shifting strategic and enabling functions** to GBS, which is evolving towards **GCCs** and expanding beyond traditional roles

What services are performed in your company through an outsourcing partner/3rd party?

How to read: "52% of study participants indicate that some portion of their IT support is performed by a 3rd party, with 9% indicating that they outsource more than half of the work"



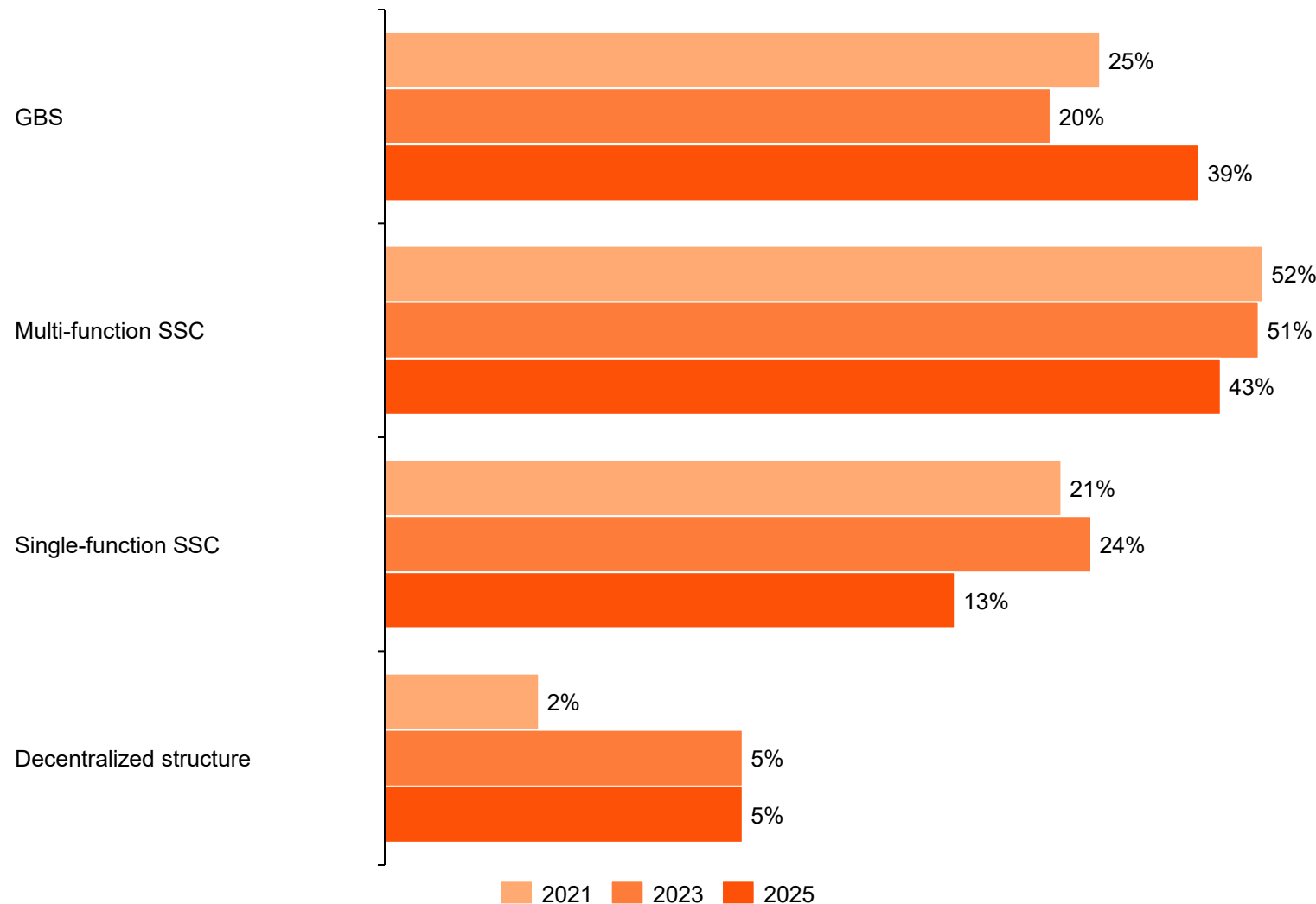
Key facts

- **Back-office functions** like IT support, accounting, HR, and procurement show the **highest levels of outsourcing**, driven by efficiency and cost management
- **Strategic functions** such as controlling, logistics, and R&D are **rarely outsourced**, reflecting their critical role in innovation and competitive advantage
- **A shift towards insourcing is emerging**, fueled by **AI adoption** and **rising external provider costs**, moving away from traditional BPO models

02

Strategic shifts and repositioning

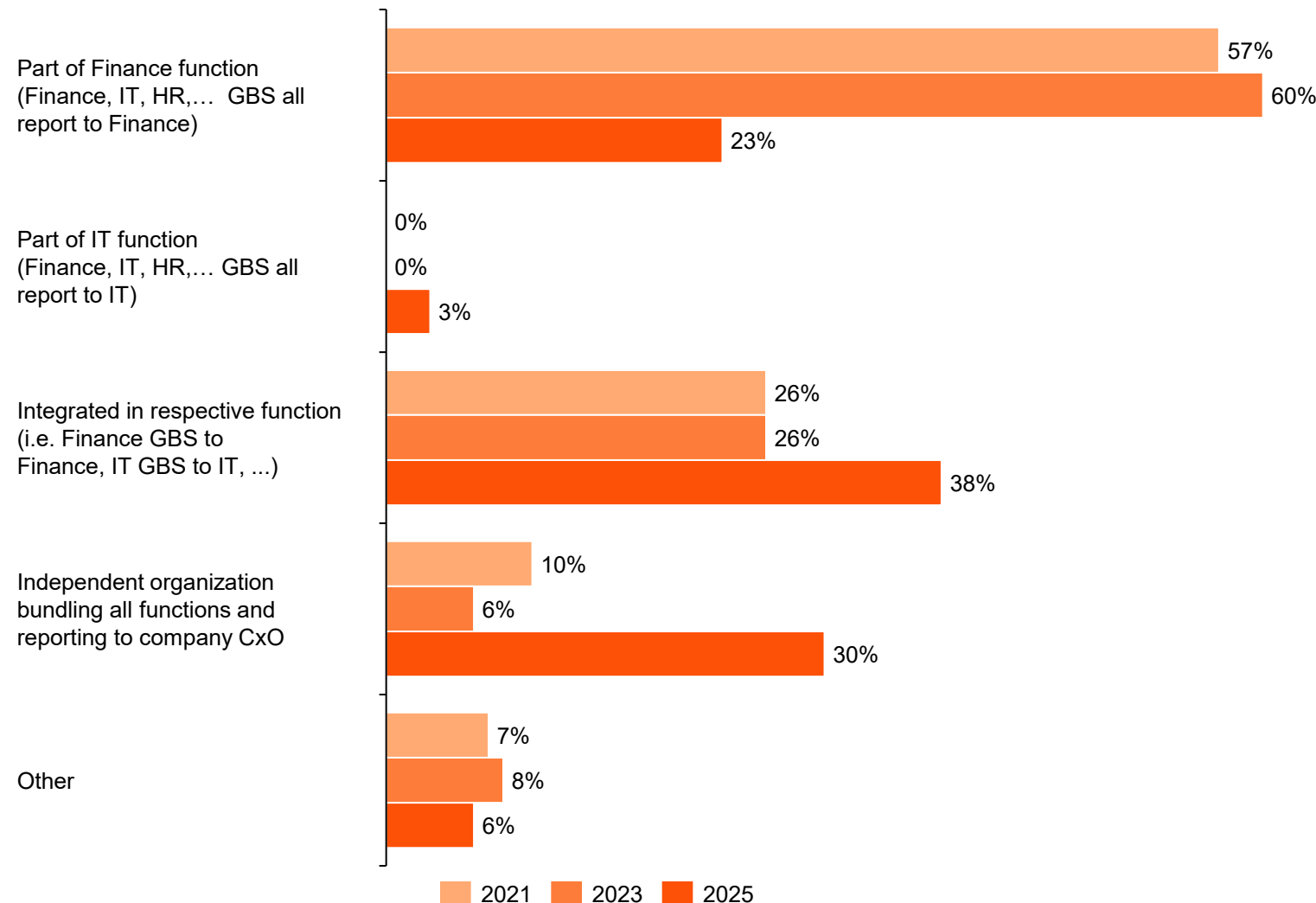
Which type of GBS organizational model does your organization currently operate?



Key facts

- **Decline in transactional single-function** centres shows maturity progress in GBS organisations
- **Shift towards multi-functional GBS** models with global reach
- **North American** companies are **early adopters** of mature, end-to-end GBS with global footprints, while many **Asian** firms **remain focused on single-function** centers
- Expansion to **multifunctional** and **full GBS** models enables faster labor arbitrage and a broader range of global services

Where is your GBS reporting to?



Key facts

- GBS maturity leads to **independent management structures**, moving beyond traditional CFO-led finance reporting
- Emerging models towards **independent GBS with board reporting** and GBS reporting **within functional areas** aligns with the shift from transactional to comprehensive end-to-end models
- Transitioning GBS organisations increasingly adopt **board-level reporting**, moving beyond traditional CFO oversight

Which options best describe your GBS operating model strategic initiatives, both current and planned?

#1 Process excellence

Digitization

80%

12%

Increased standardization of services

77%

16%

#2 Scope Expansion

Expand transactional GBS tasks

70%

12%

Expand into more complex and value-adding services

59%

26%

Invest in CoE for expert tasks

57%

20%

Shift to E2E process-driven organisation

47%

29%

#3 Delivery Refinement

Regional SSC expansion

45%

11%

Build strategic alliances/networks with other GBS org.

26%

13%

Insourcing from BPO/ITO to GBS

20%

8%

Outsourcing expansion (BPO/ITO)

15%

7%

Relocate activities back to local teams

4%

3%

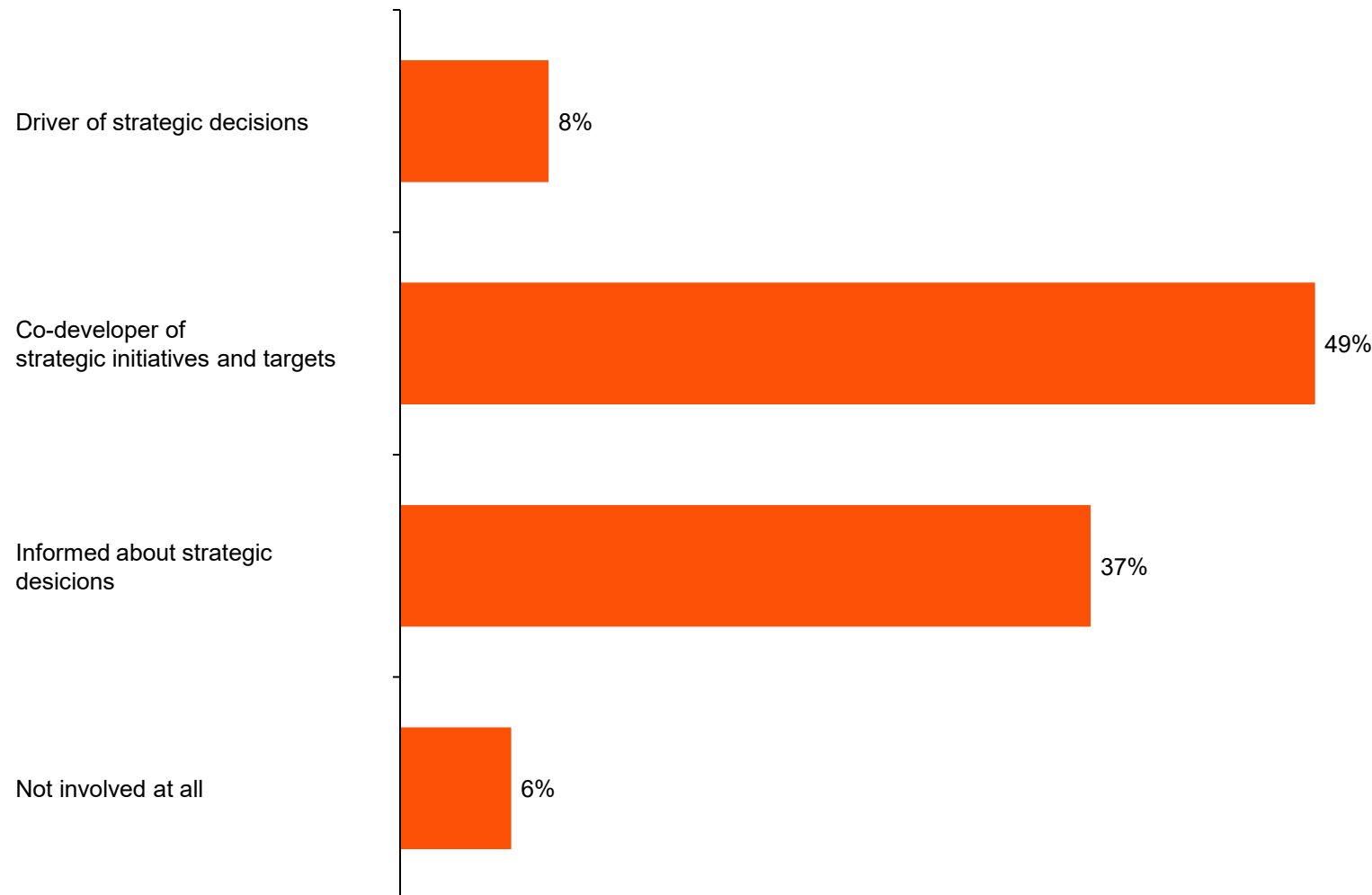
■ Initiatives already started ■ Initiatives planned for the future ■



Key facts

- **GBS organizations are focusing on standardization and digitization** to offer complex, value-added services and **increase the adoption of COEs**
- **Trend is toward insourcing functions and reduced regional expansion**, with a focus on optimizing internal operations
- **Mature organizations are increasingly leveraging digitization and specialized skills to automate transactional tasks and minimize outsourcing**

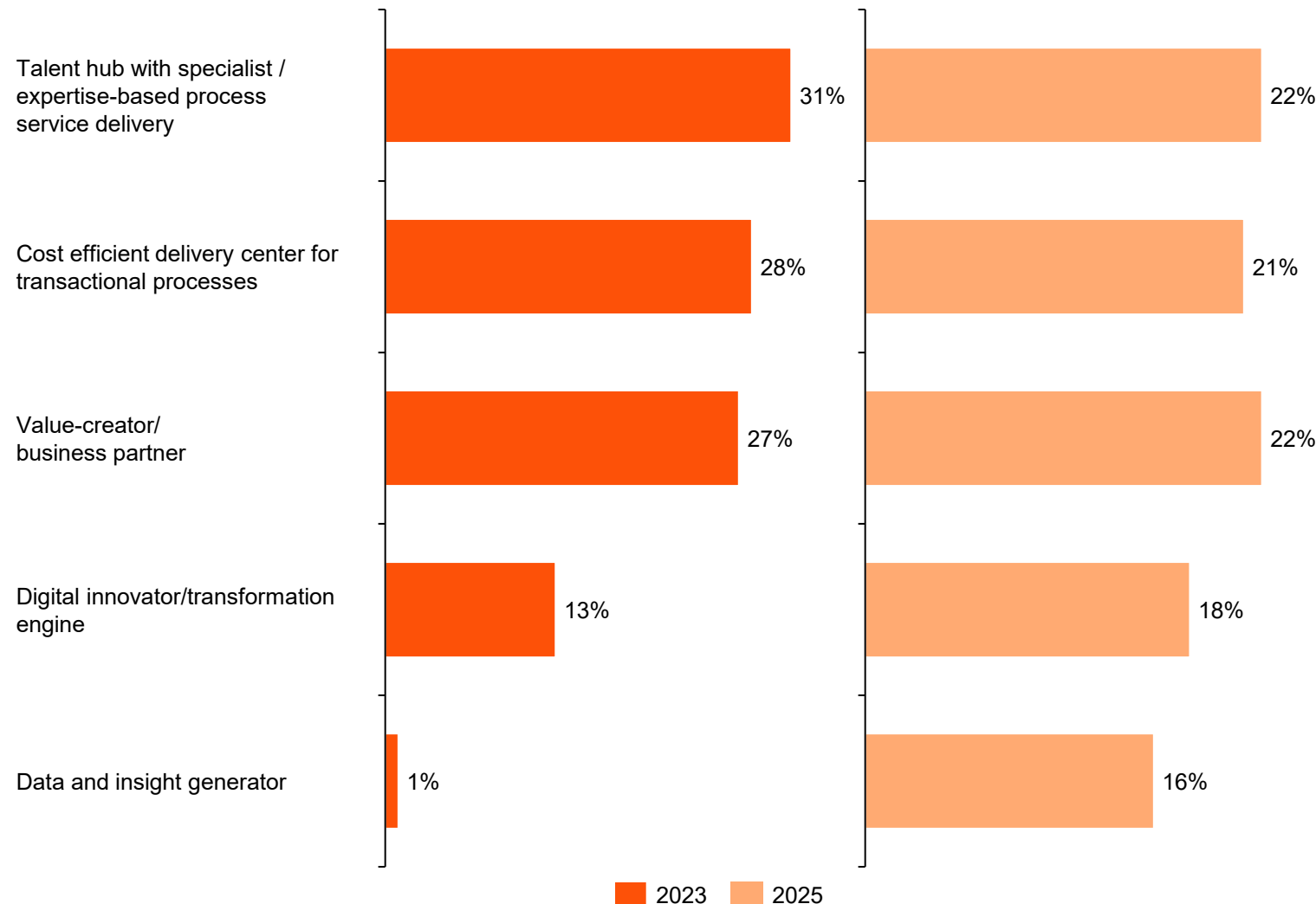
To what extent is your GBS organization integrated into the strategic planning process of the company as a whole?



Key facts

- **57% of GBS organisations** are actively **involved in strategic initiatives**, reflecting its maturing role and value recognition
- **49%** act as **co-developers of strategy**, while only **8%** **drive strategic decisions** directly
- As **GBS maturity decreases**, from end-to-end models to single-function SSCs, **involvement in decision-making decreases** significantly

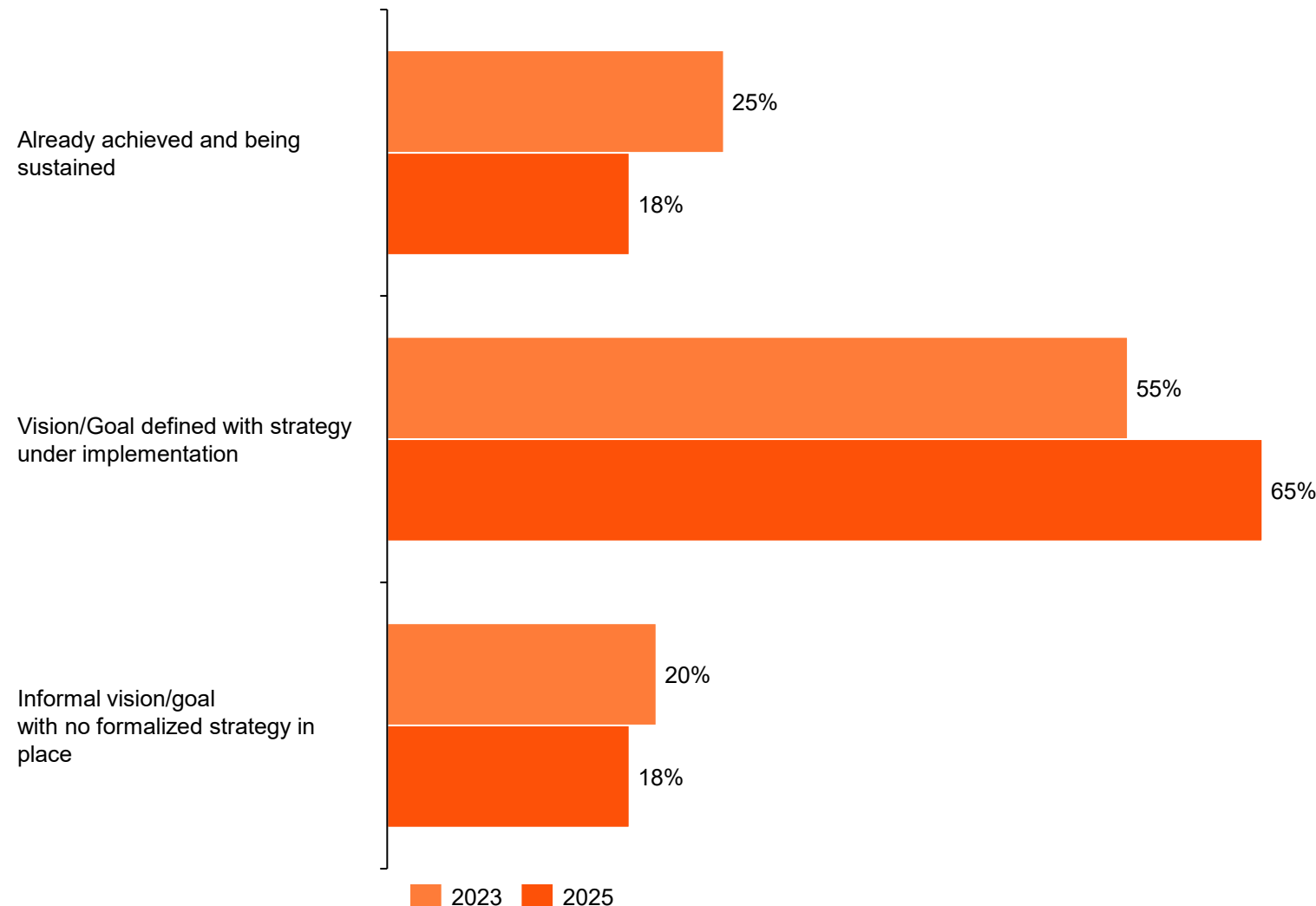
How the GBS organization should be seen throughout the company?



Key facts

- **Data-driven** and **digital roles** are **increasingly** enhancing GBS value, while traditional roles like **cost efficiency** are **declining**
- GBS organisations are transitioning to roles **focused on value creation**, **digital innovation**, and **data-driven decision-making**, supporting broader business transformation
- As GBS matures, leaders must **reassess their value contribution beyond cost savings**, leveraging data and innovation as company “backbone”

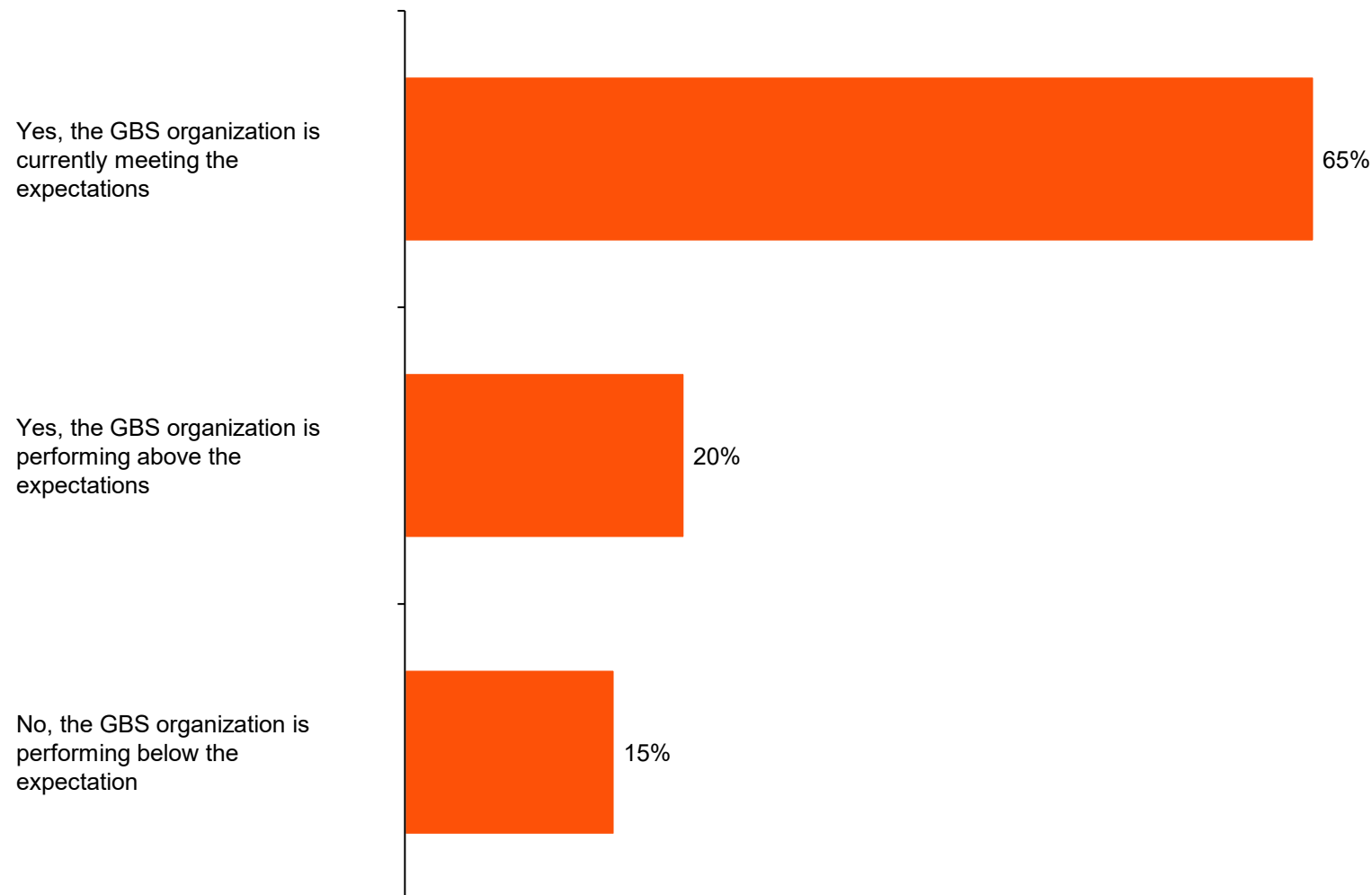
How would you rate your GBS organization's maturity on achieving the desired goal?



Key facts

- GBS organisations **set ambitious 2025 goals** to become **data insight generators** and transformation leaders
- Percentage** of respondents reporting **goal achievement has decreased** from 25% to 18%, indicating **elevated aspirations and challenges**
- Implementation efforts** to achieve set targets **have risen significantly**, with 65% of respondents now taking action compared to 55% two years ago

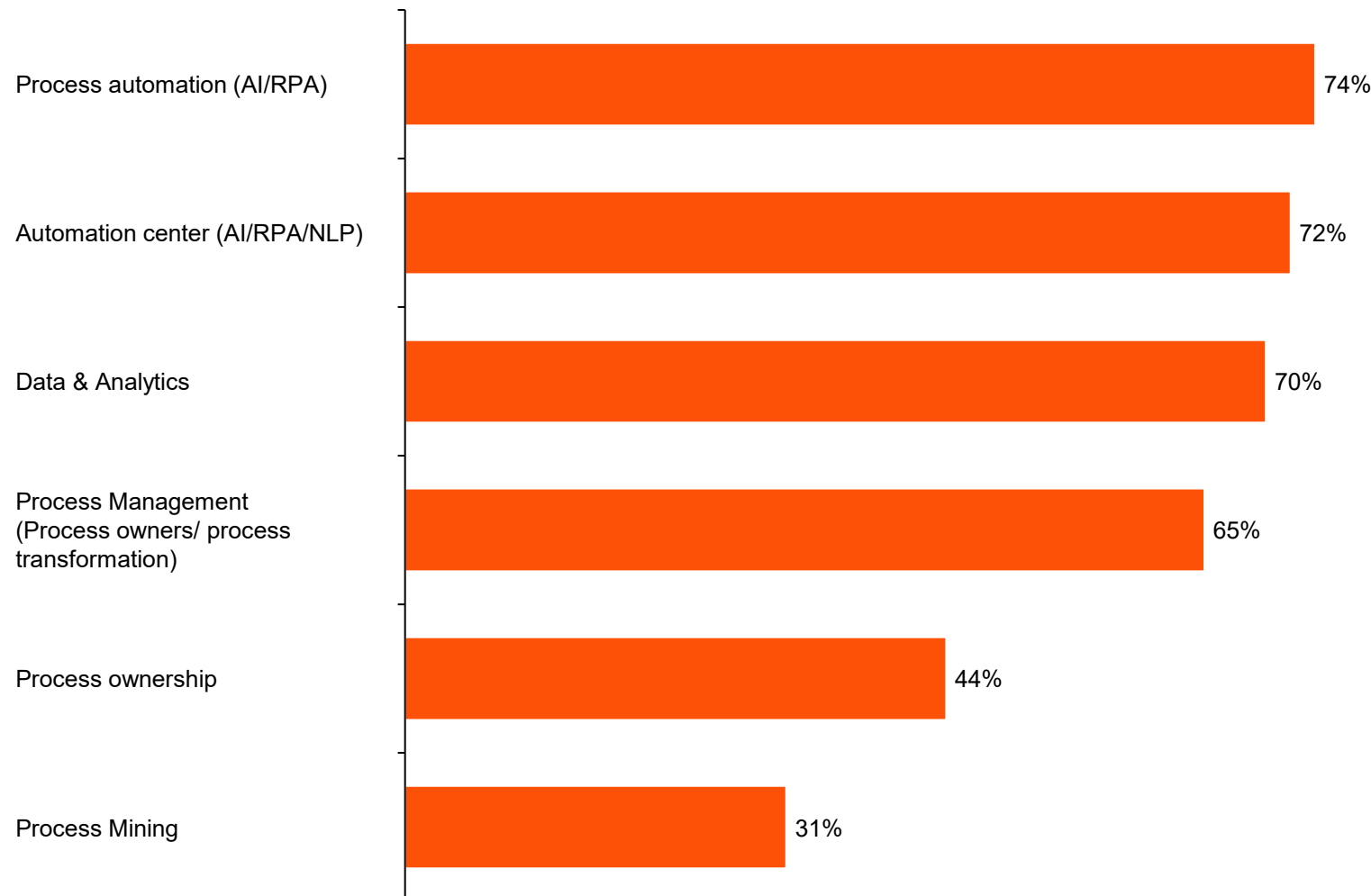
How satisfied are your stakeholders with the performance of your GBS organization?



Key facts

- **85%** of respondents indicate GBS is **meeting or exceeding expectations**, with **17-20%** reporting '**above expectation**' for mature E2E-driven organisations
- **Larger companies** report **higher GBS satisfaction**, indicating size and comprehensive mandates boost value delivery
- Regional satisfaction varies, with **Asia** aligning with the **overall average**, **Europe** and **North America** similarly **satisfied**, and the **Middle East** reporting **lower satisfaction** levels

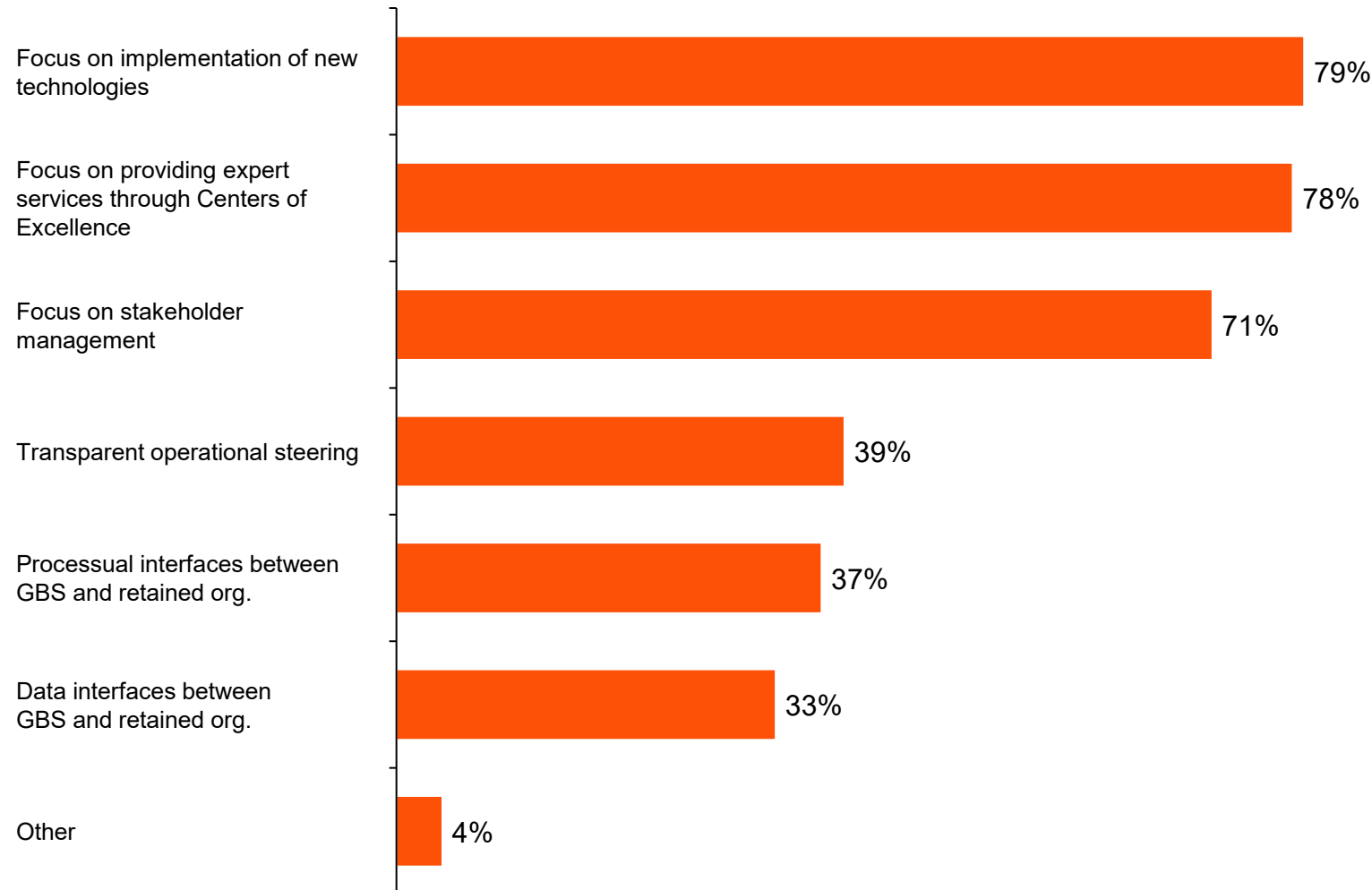
Which functions do you see as particularly important to enhance GBS organization's roles as a drivers of added value?



Key facts

- **74%** of GBS organisations **drive value creation** through process automation, while **72% use automation centres**
- **Data and analytics hold significant importance** for decision-making and customer experience enhancement, while **deeper process ownership appears to be a gap**
- **Process ownership** and **process mining** are **less valued as drivers**, indicating a potential for future transformation beyond current execution partner role

How can GBS org. increase their role of partner and become a driver for digital transformation and enabler of new business models?



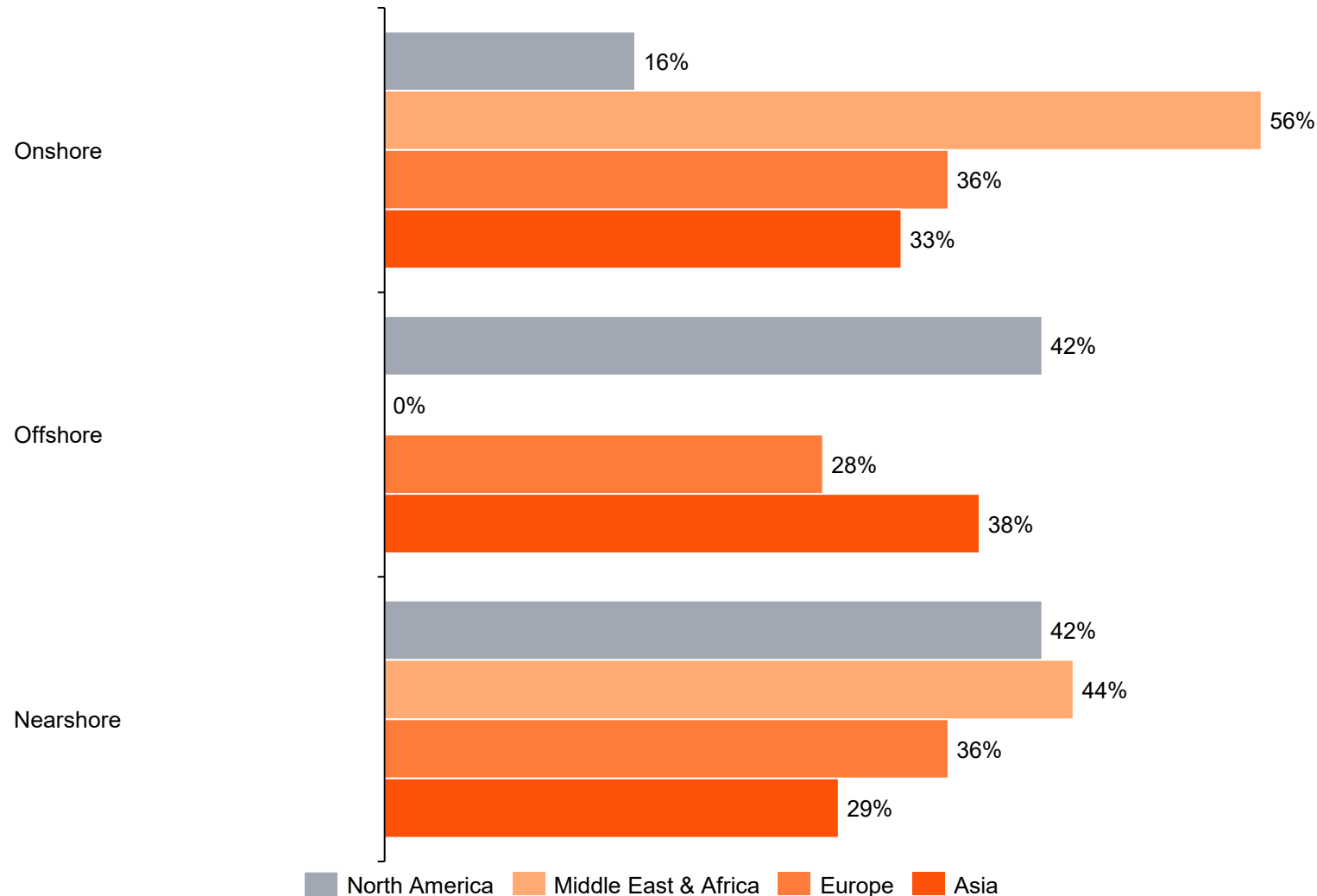
Key facts

- GBS is set to drive innovation by **implementing new technologies** and enhancing expertise through **CoEs**; improving **stakeholder interactions** is also key.
- 79% expect GBS to lead digital transformation, but **focus on data interfaces is low** at 33%, and **process interfaces** at 37%
- Effective delivery** of services and digital transformation **require integration with retained organisations**, highlighting potential fragmentation and limited end-to-end ownership

03

Location Strategy

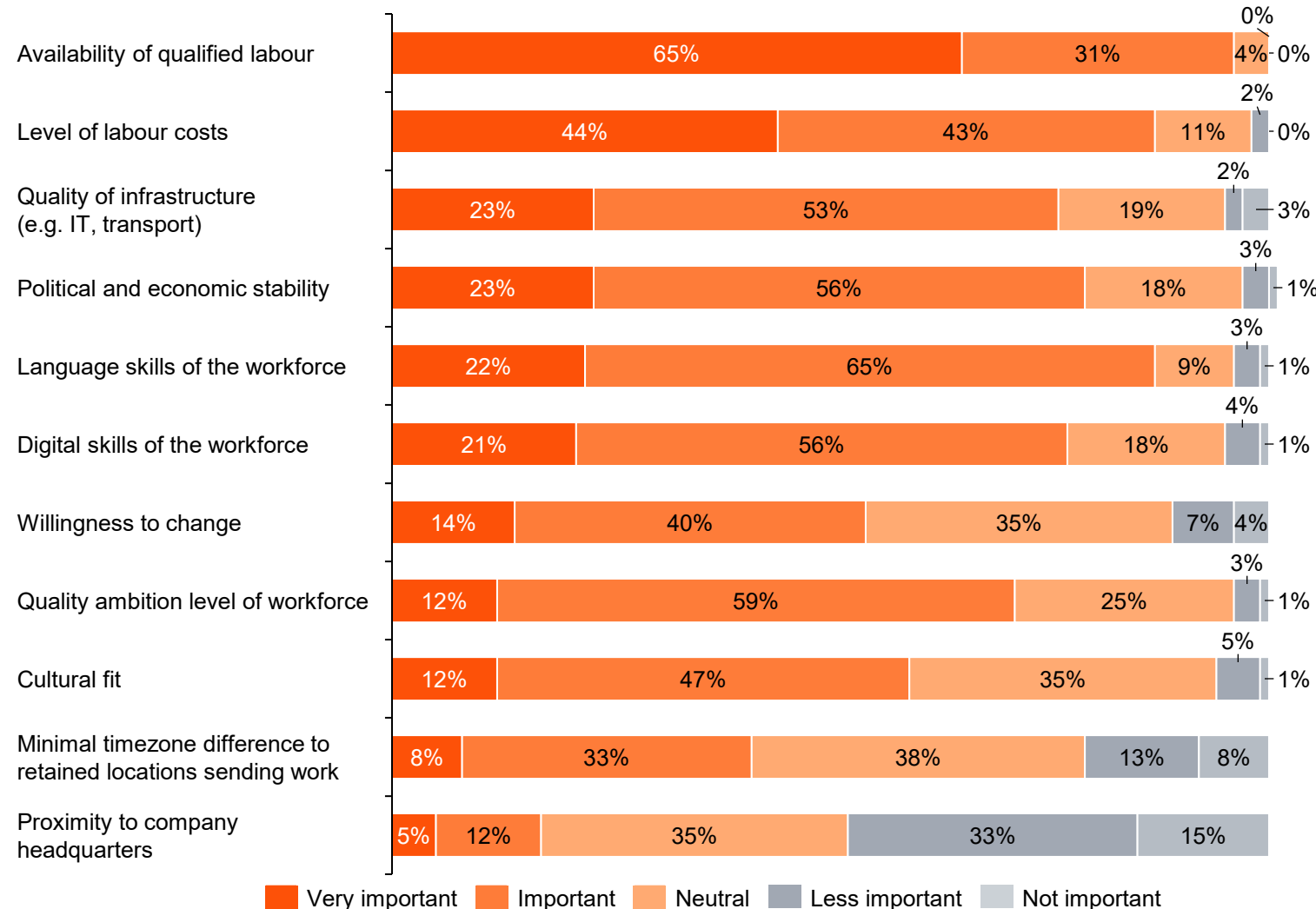
Where are your operational locations located?



Key facts

- **Asia** uses a **balanced mix** of offshore, onshore, and nearshore models as a key offshoring hub
- **Europe** prefers **nearshore** and **onshore** more, with less offshore use
- **North America** uses **nearshore** and **offshore** more equally, with minimal reliance on onshore
- **Larger companies** prefer **offshore** and **nearshore** models, whereas **onshore** is common in **smaller, less centralised organisations**

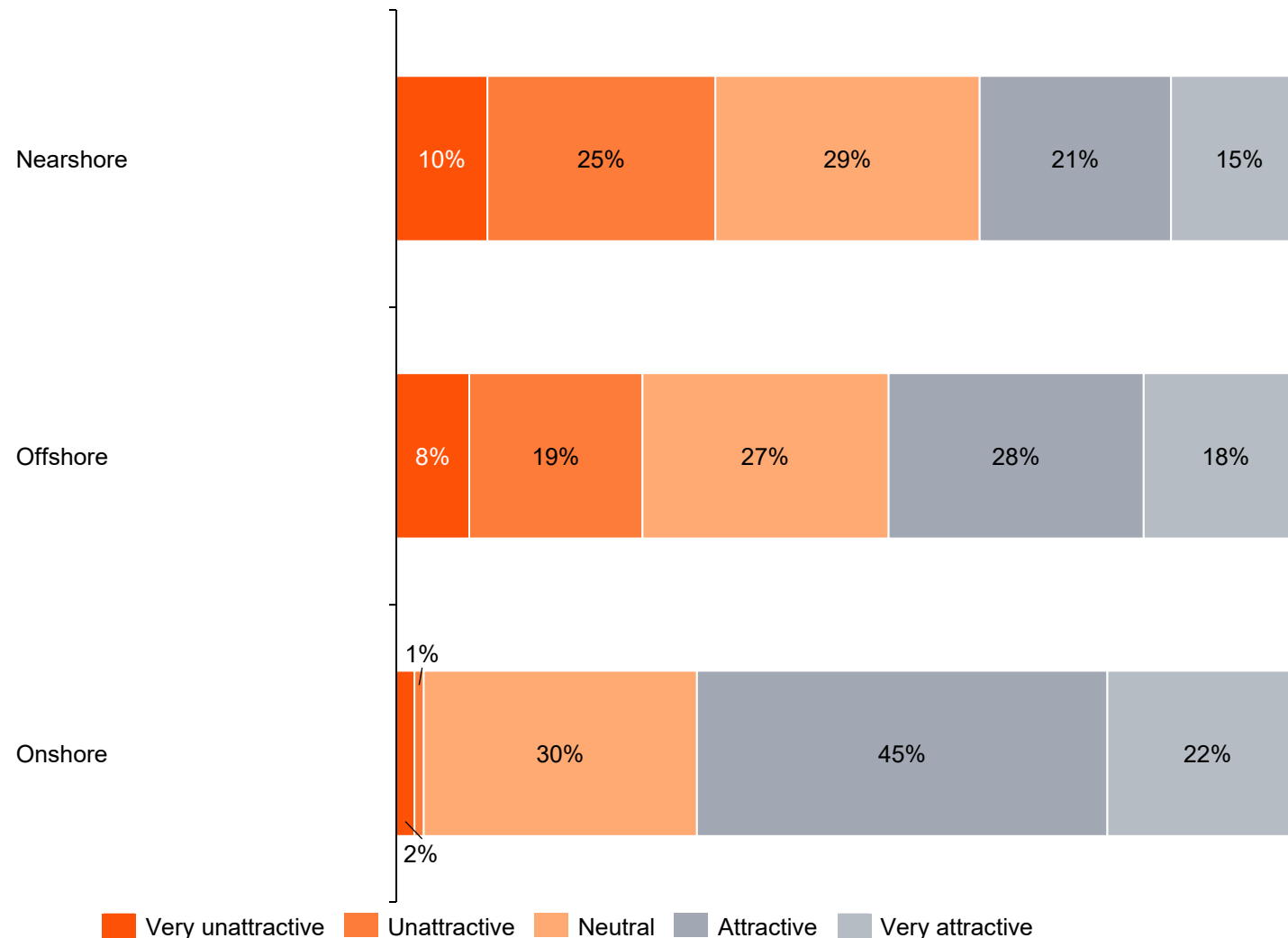
What criteria are most important to you when choosing locations for your GBS operations?



Key facts

- **Qualified labour** (96%) and **labour costs** (88%) are the **most critical factors** when selecting GBS locations
- **Language skills** (88%), political/economic stability, infrastructure, digital skills, and workforce ambition **also rank highly**
- **Cultural fit, openness to change, time zone differences, and proximity to headquarters** are less important for effective GBS operations

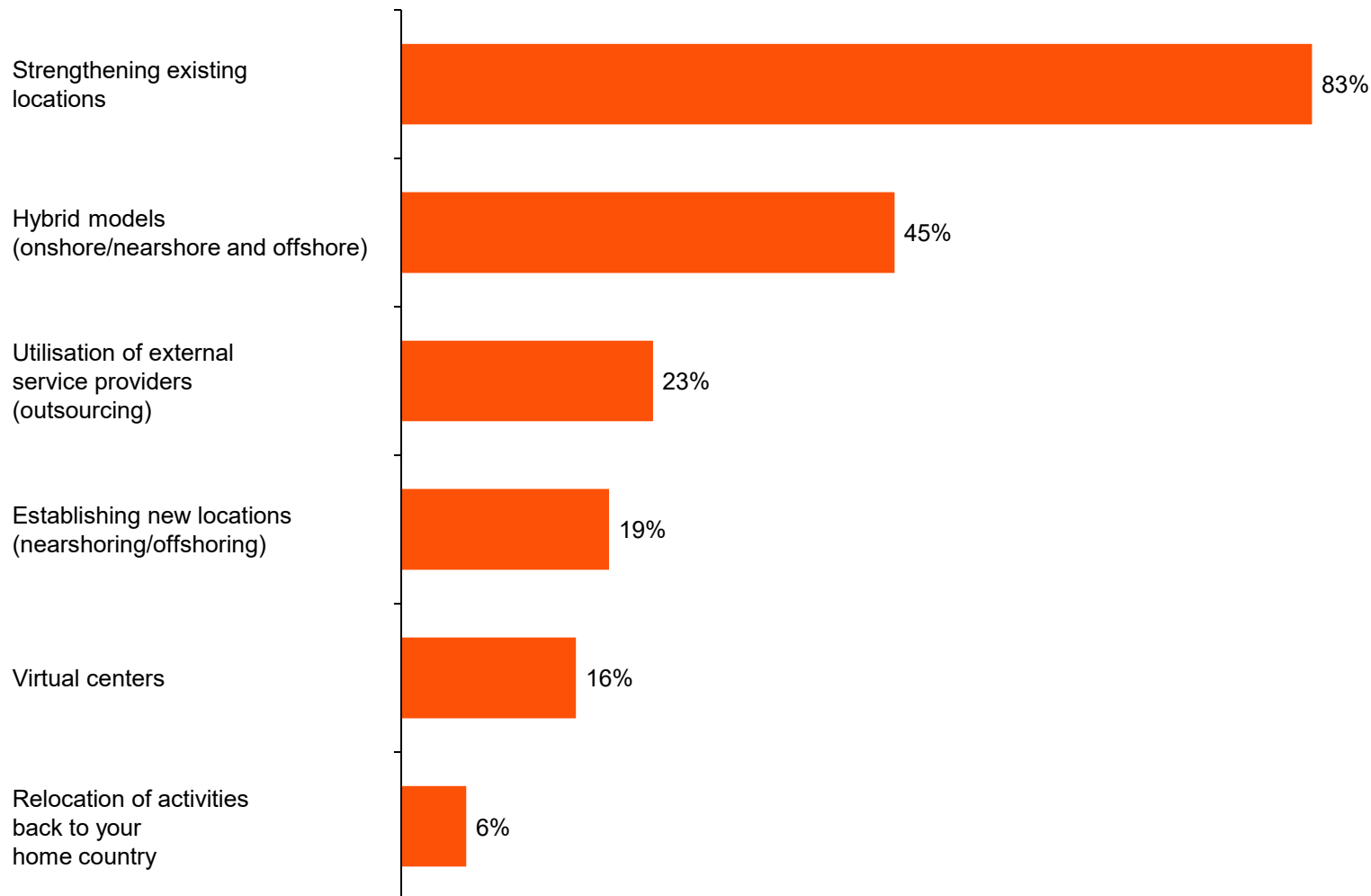
Which location models do you find most attractive for your GBS operations?



Key facts

- Despite **low importance** placed on **proximity factors**, companies **increasingly prefer nearshore** models, leading to the rise of multi-centre global setups
- About **70%** of GBS organizations find **offshore locations attractive**, while **single-function SSCs** often view them as **neutral or unattractive**
- Middle East** strongly prefers **onshore** and **nearshore** due to **cultural factors**; **North America** favors **offshore** but values nearshore too

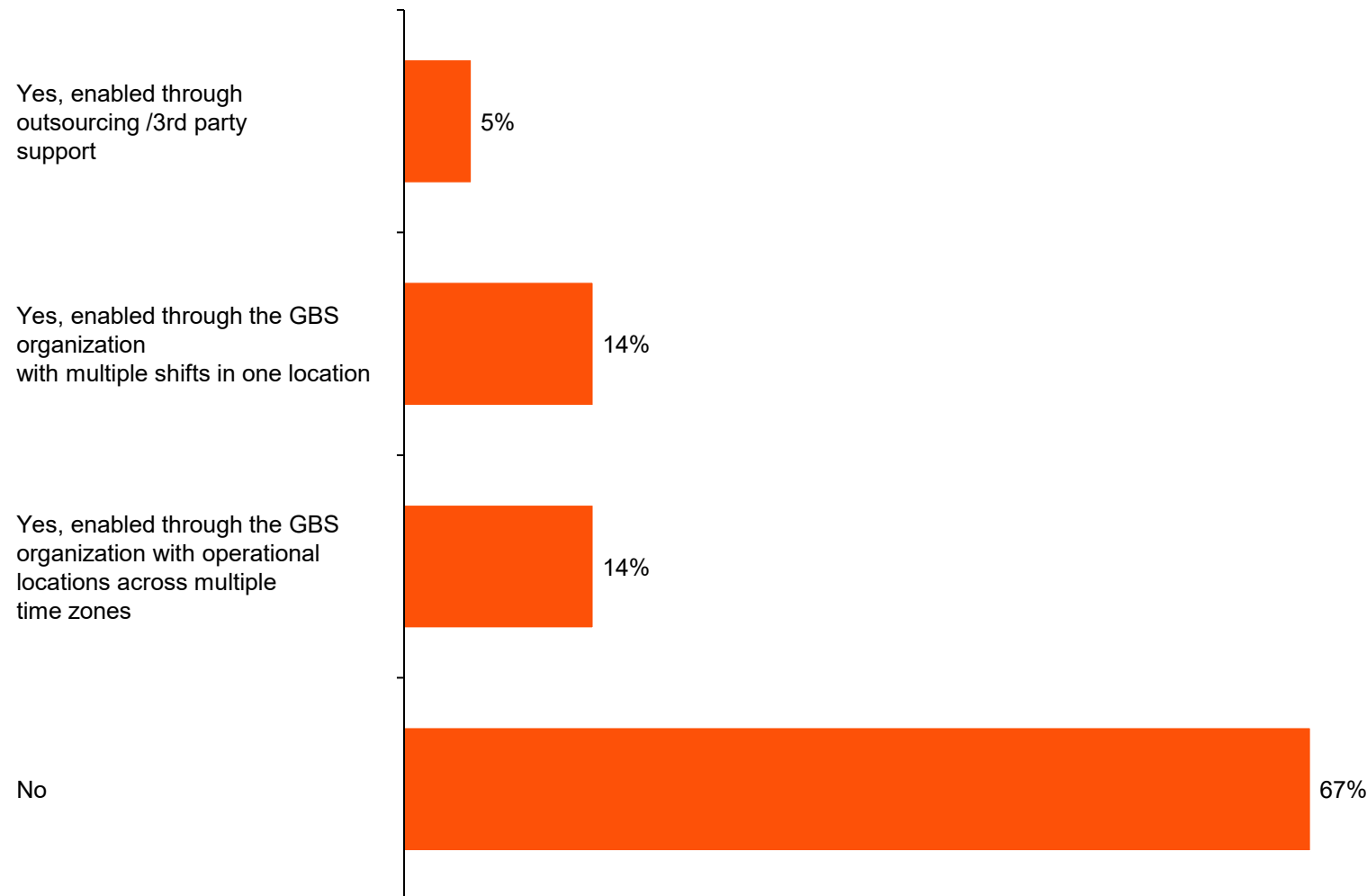
What are the key focus areas of your future location strategy for GBS?



Key facts

- Most organizations focus on **strengthening and optimizing existing GBS locations** rather than expanding aggressively
- 45% plan to **adopt hybrid models** combining onshore, nearshore, and offshore locations to increase flexibility
- Organisations are **primarily prioritising consolidation and hybridisation**, with limited interest in outsourcing, new locations, or structural reinvention

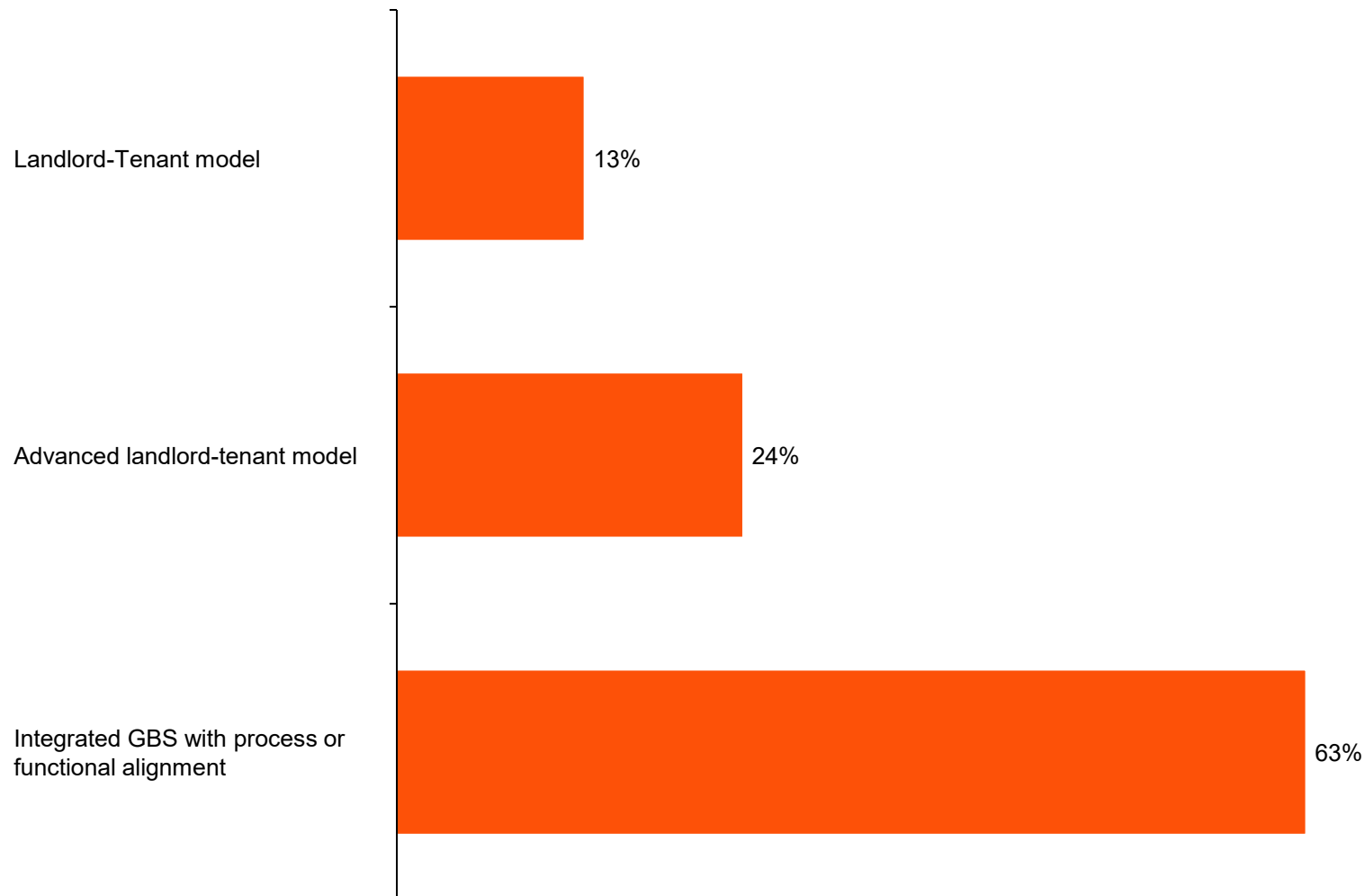
Does your company require 24/7 service from the GBS organization?



Key facts

- **Most companies do not need 24/7 GBS support**, but demand rises with company size and global operations
- **Larger organisations increasingly require 24/7 GBS support**, relying on global delivery models for continuous operations
- **GBS** is expected to support IT, customer interactions, and operations continuously, **evolving into a critical enterprise function for resilience and experience**

How do you manage your GBS organization?



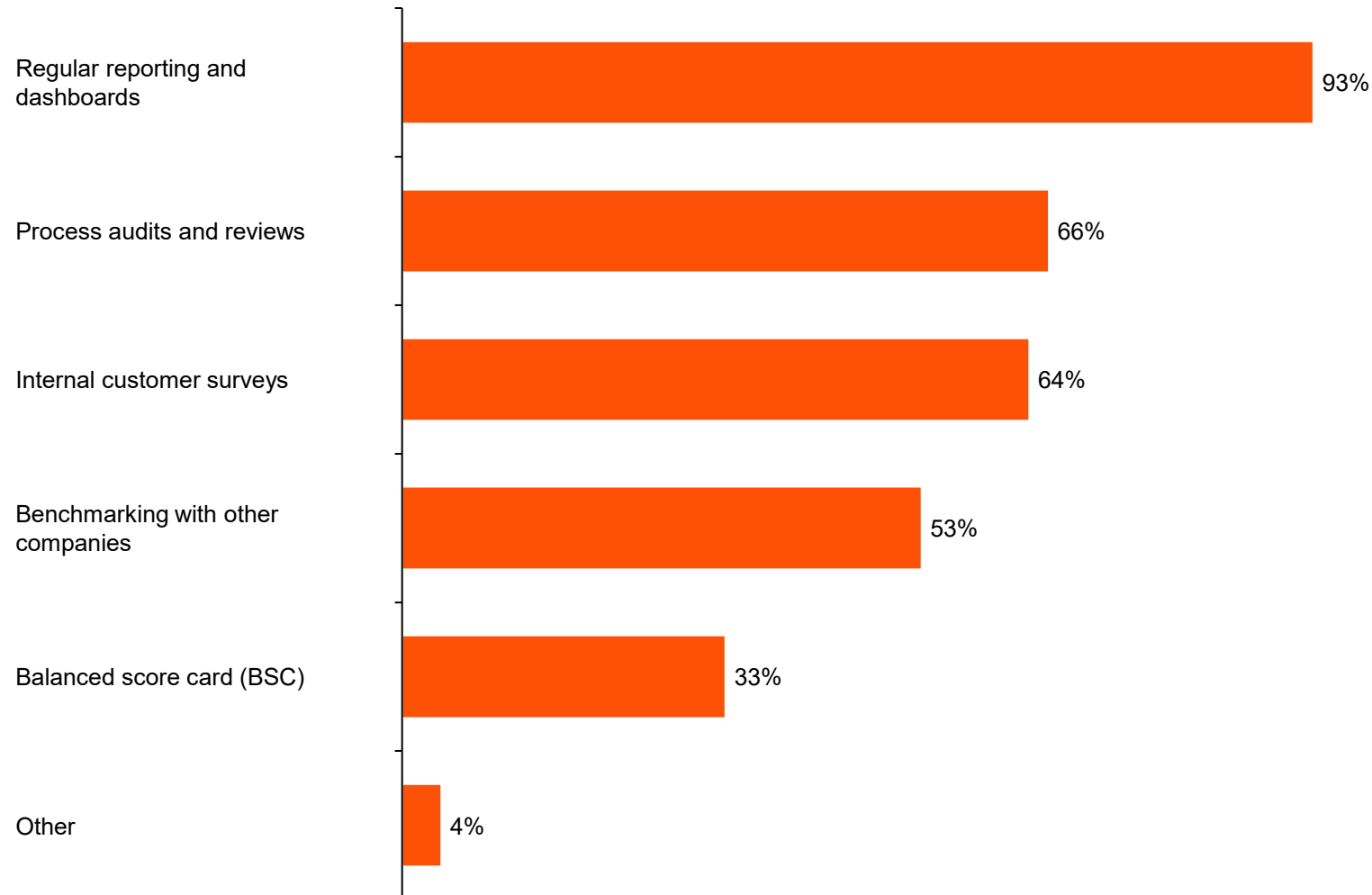
Key facts

- **63%** of organizations operate **under an integrated GBS model with functional or process alignment**, reflecting strong strategic integration
- **24%** have adopted an **advanced landlord-tenant model**, incorporating **tech enablement** and **process optimization** for a more mature service-oriented approach
- Only 13% use the basic **landlord-tenant model**, indicating its **decline** in preference as businesses seek more **integrated staffing and operational control**

04

Performance Measurement

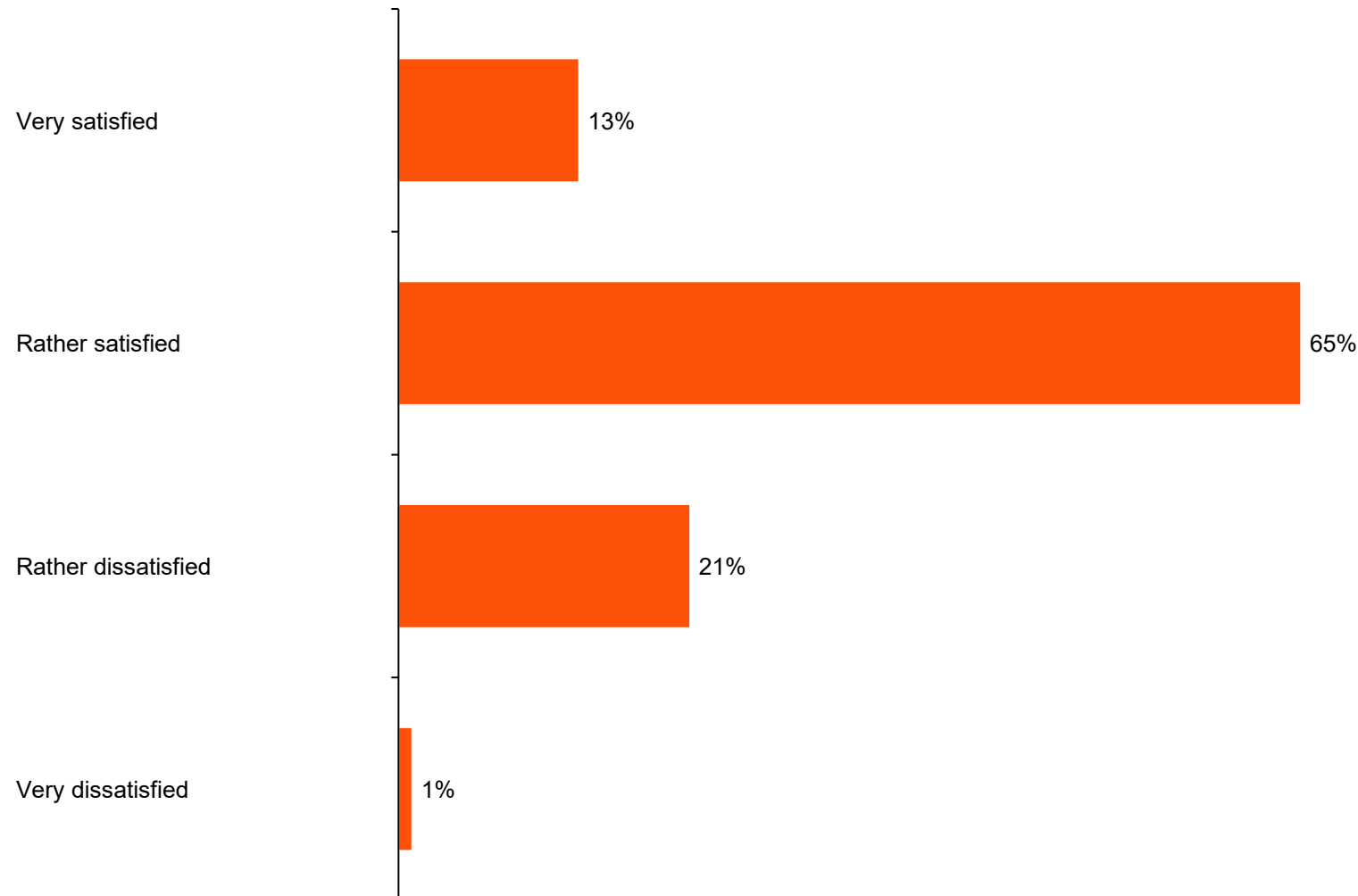
Which of the following methods do you use to measure the performance of your GBS organization?



Key facts

- **Dashboards** are the **main reporting tool for GBS**, with increased focus on customer feedback and benchmarking for performance validation
- **GBS must communicate** their **strategic contributions** beyond standard metrics, demonstrating **impact on business outcomes** like revenue uplift and customer insights
- **GBS** improves data-driven decision-making and forecasting **as data stewards**, optimizing resource use for enterprise success

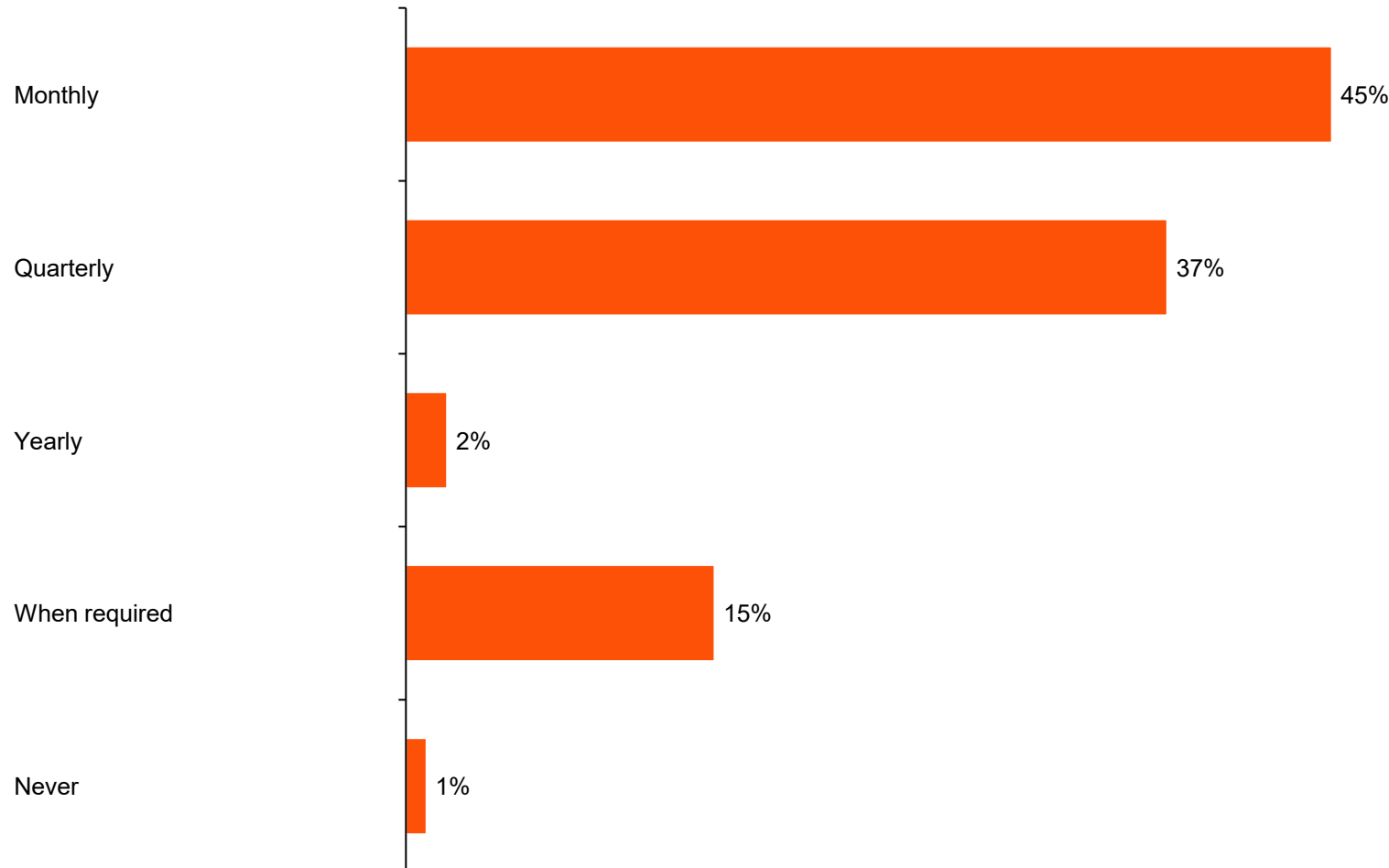
How satisfied are you with the informative value of your current KPIs for measuring the GBS organization's contribution to value creation?



Key facts

- **Majority (78%) of companies** are **satisfied or very satisfied** with their KPIs, indicating effective mapping of value creation aspects
- **21% of companies experience dissatisfaction**, citing **insufficient KPI adaptation** to dynamic market conditions and evolving business processes
- **Regional differences impact KPI satisfaction**, with advanced analytics in regions like **Asia** leading to better KPI structures and **higher satisfaction** levels **compared to** less mature areas like **MEA**

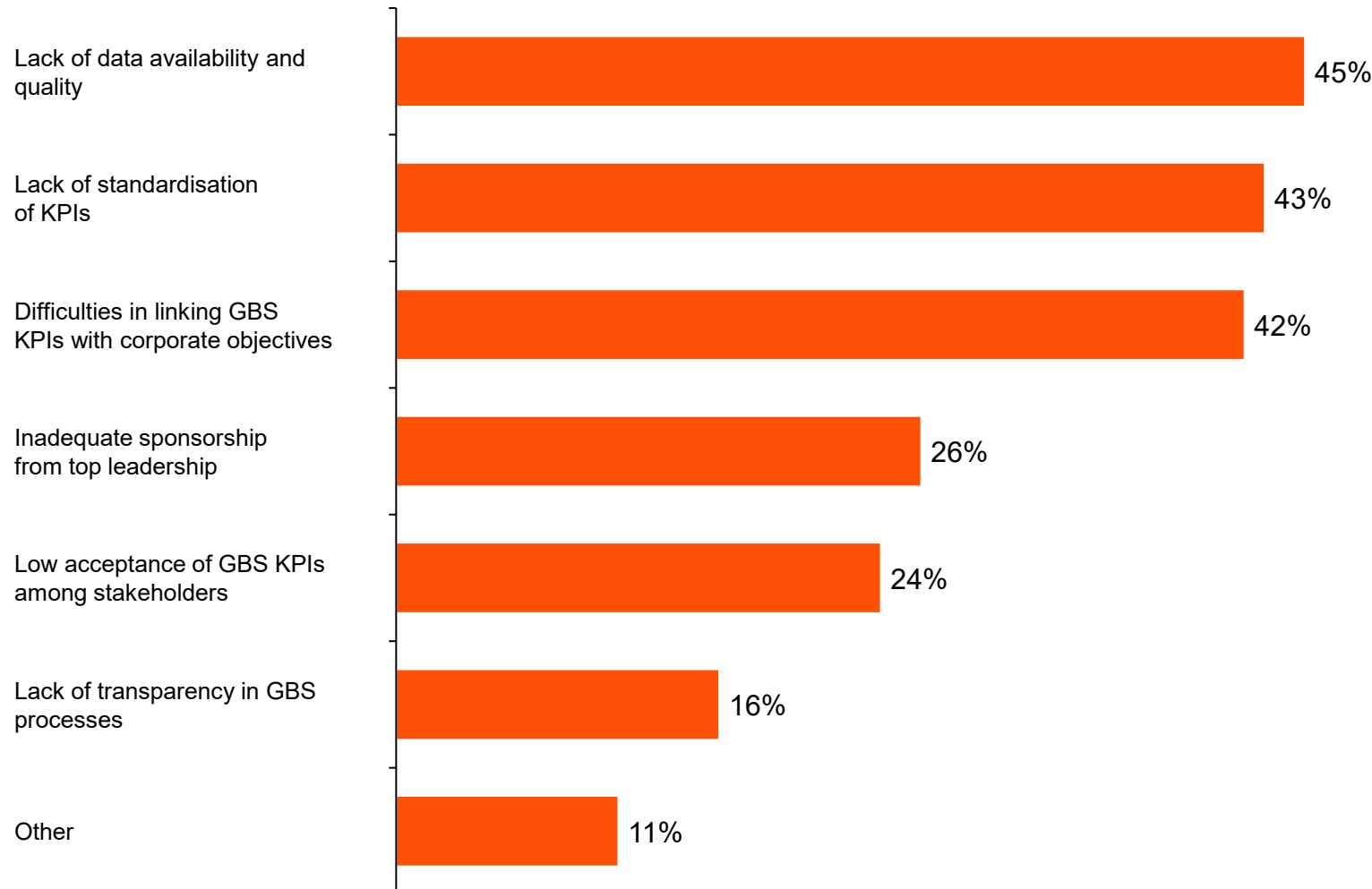
How often do you report to management and stakeholders on the performance of your GBS organization?



Key facts

- **Most organizations report regularly**, with **45%** reporting **monthly** and **37%** reporting **quarterly** to enable transparency and quick decisions
- **Smaller and medium-sized** GBS centres report **monthly**, providing continuous monitoring and adjustments close to operational processes
- **Irregular reporting** (15%) is common among companies **with unclear KPIs and less structured requirements**

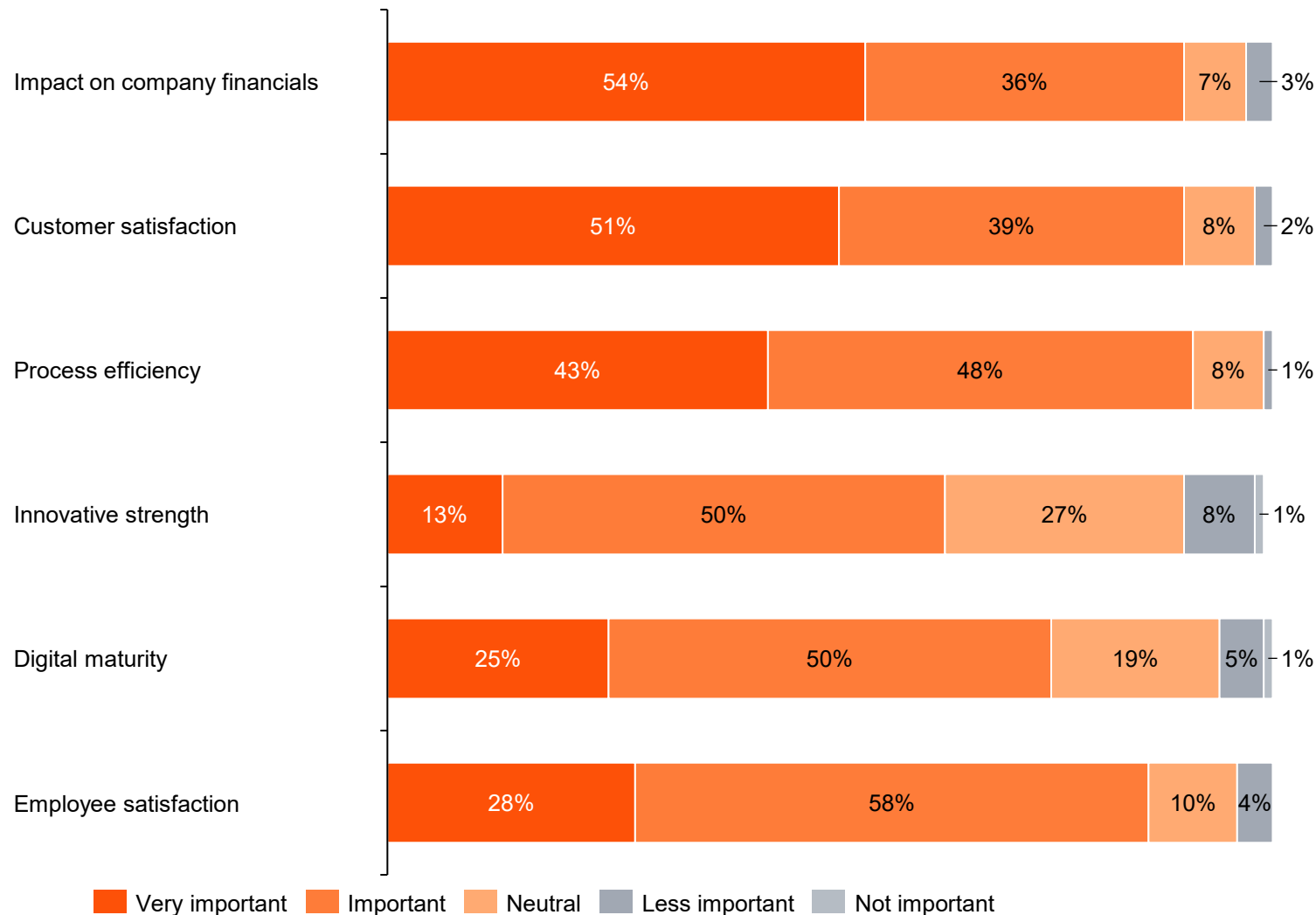
Which of the following are the biggest challenges in measuring and communicating the GBS value proposition?



Key facts

- **Poor data availability/quality** and **lack of standardized KPIs** are the **biggest obstacles** to accurately measuring GBS value
- **Difficulty linking KPIs to corporate goals** (42%) hinders integration of GBS performance with overall business strategy
- **Challenges** include **stakeholder acceptance** and **senior management support**, necessitating **KPI standardisation** and **alignment with corporate goals** for enhanced transparency and performance

How important are the following key performance indicators (KPIs) for measuring the strategic value contribution of your GBS org.?



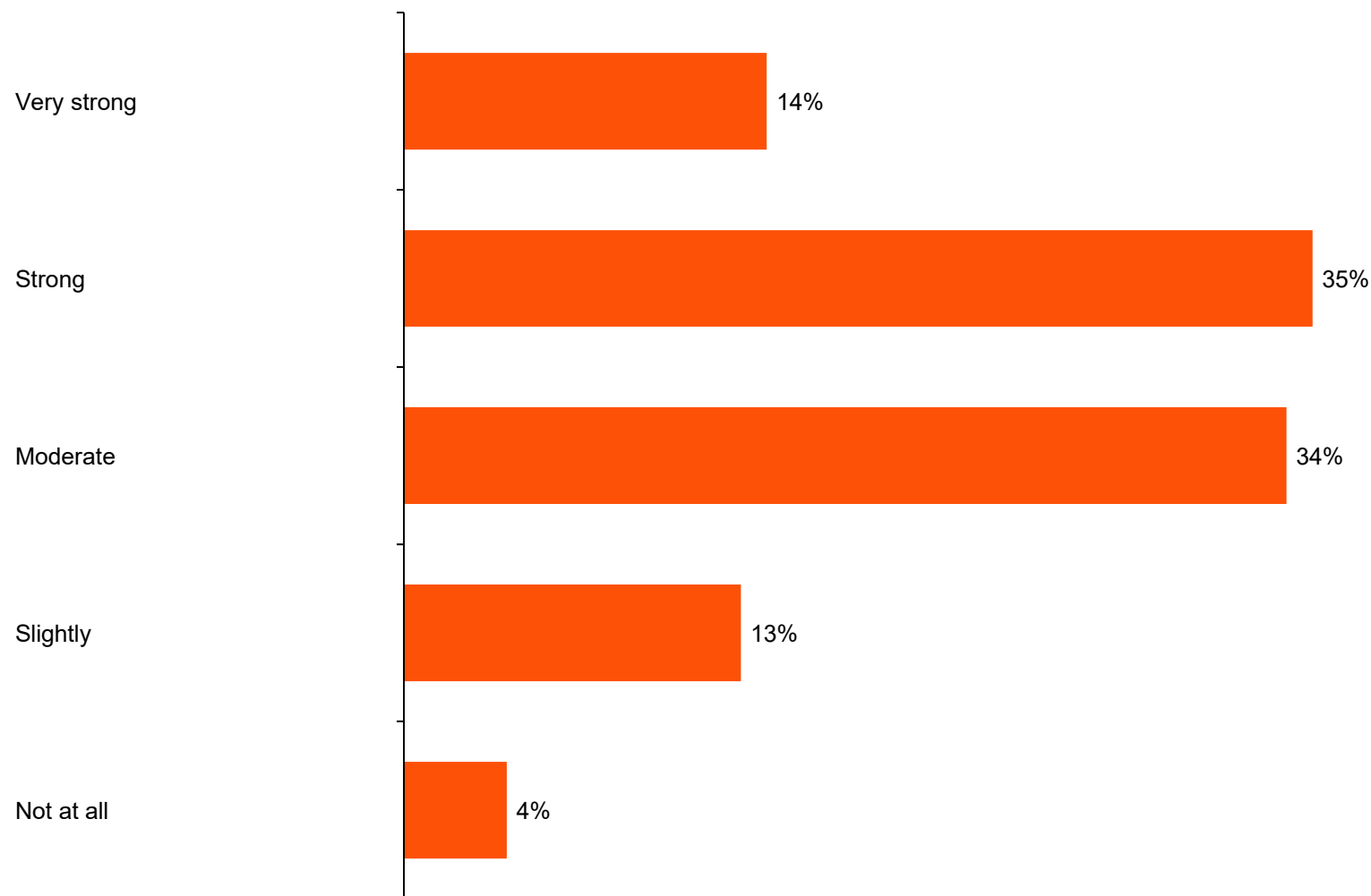
Key facts

- **Cost efficiency** is a **top priority** for 90% of respondents, particularly in **Asia and North America**
- **Customer satisfaction** is the **highest priority** for **EU-based companies**, while **employee satisfaction** serves as a **strategic enabler** for service quality and innovation
- **Digital maturity and innovation** are crucial but **currently secondary** to efficiency and financial KPIs

05

Digital Enablement

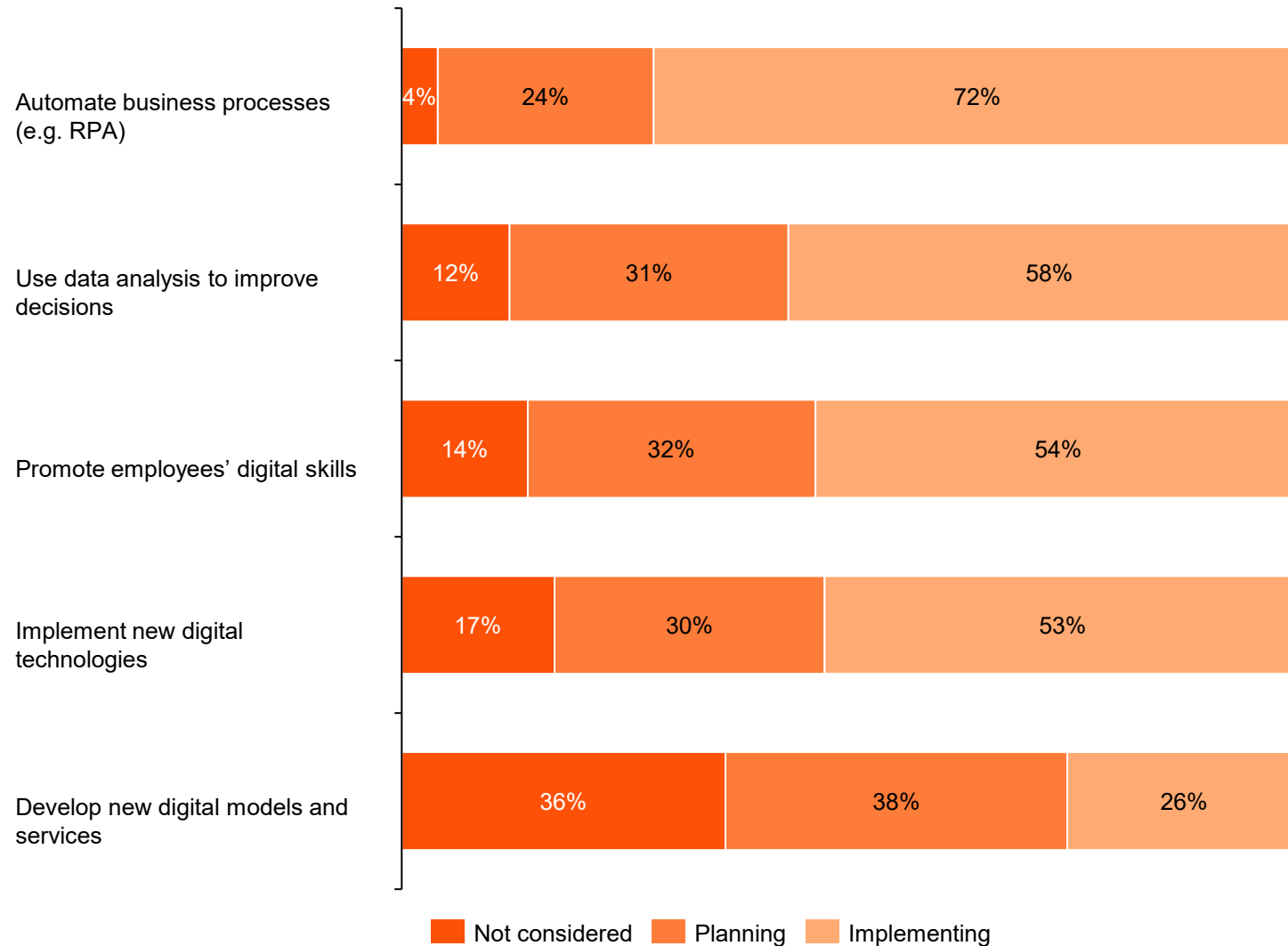
To what extent do you see your GBS organization as a driver of digital transformation / "digital hub" in the company?



Key facts

- GBS is **increasingly recognized as a mature driver of digital transformation**, with 50% of respondents rating its influence as 'strong' or 'very strong'
- GBS **entities executing end-to-end processes** and expert functions identify more **prominently as leaders**, showcasing transformational capacity
- Companies with direct **CxO reporting** view GBS **as powerful digital hubs**, supported by strategic alignment and executive sponsorship

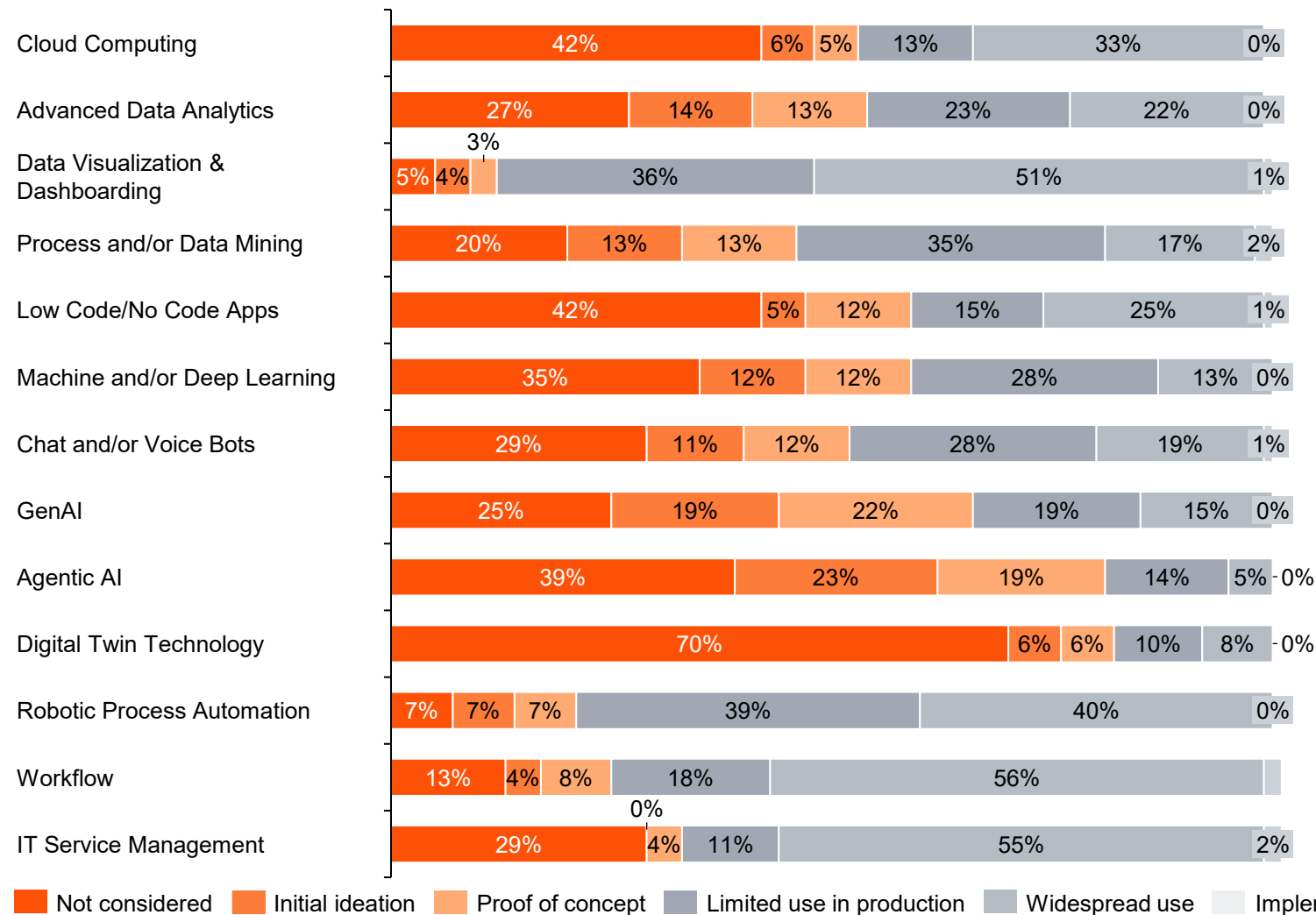
Which of the following measures is your GBS organization planning or implementing to drive digital transformation in the company?



Key facts

- Automation is a key focus in GBS, with 72% already integrating and 24% planning to adopt automation as part of efficiency strategies
- Over 50% of GBS organisations are implementing new technologies and enhancing digital skills, indicating a commitment to digitisation
- Established GBS and multifunction SSCs lead technological transformations, while single-function SSCs target specific goals on a smaller scale

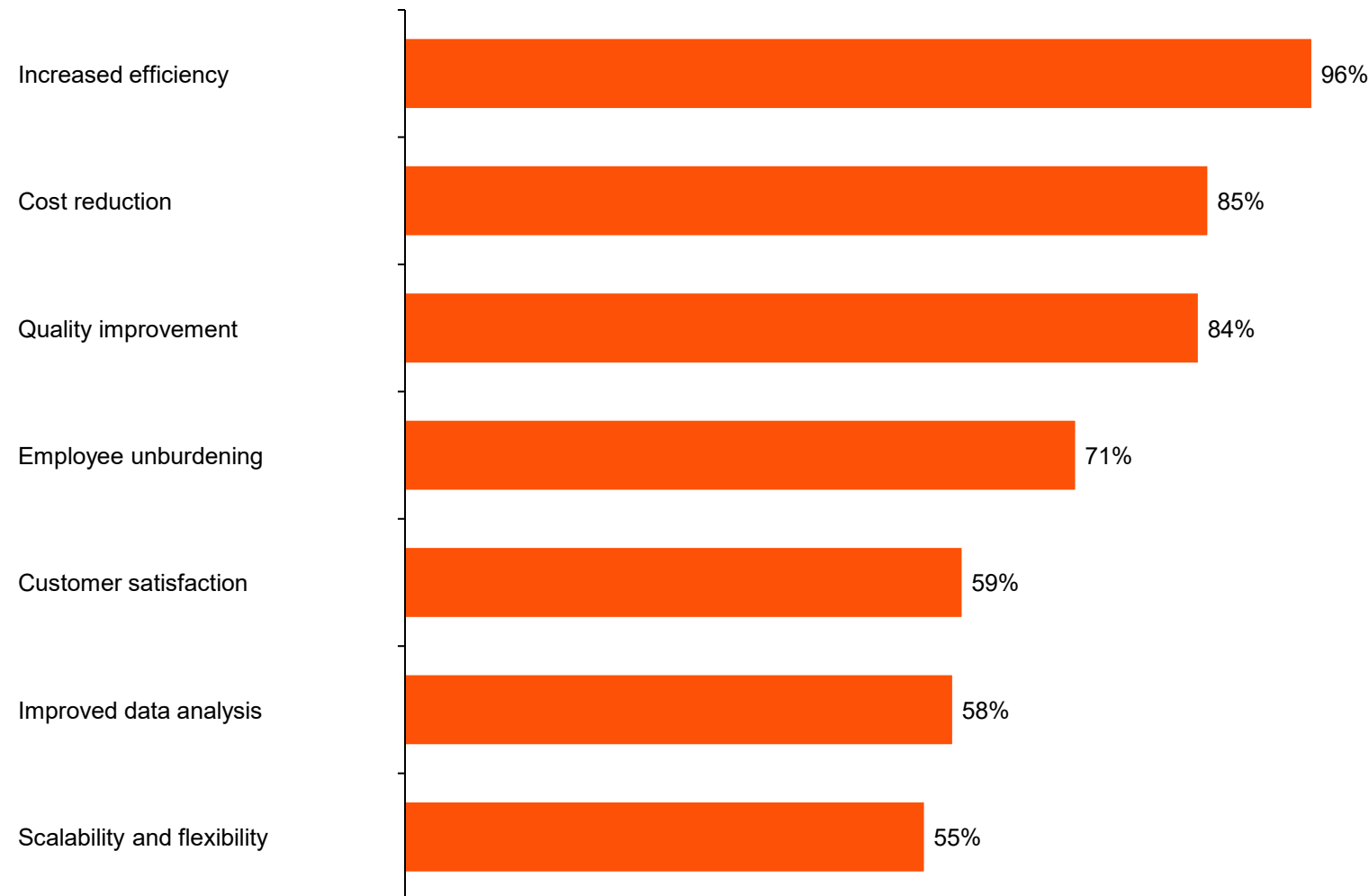
At what stage of implementation are the following technologies in your GBS organization?



Key facts

- GBS adopts **data visualization and dashboarding**, **enhancing insights and transparency**, alongside **RPA** and **IT management** for automation and streamlining operations
- Emerging technologies**, like AI and machine learning, are **being explored with plans for future integration** and growth
- Mature GBS organizations** lead in adopting **advanced technologies**, while **less mature structures** rely more on **traditional tools** due to resource or scope constraints

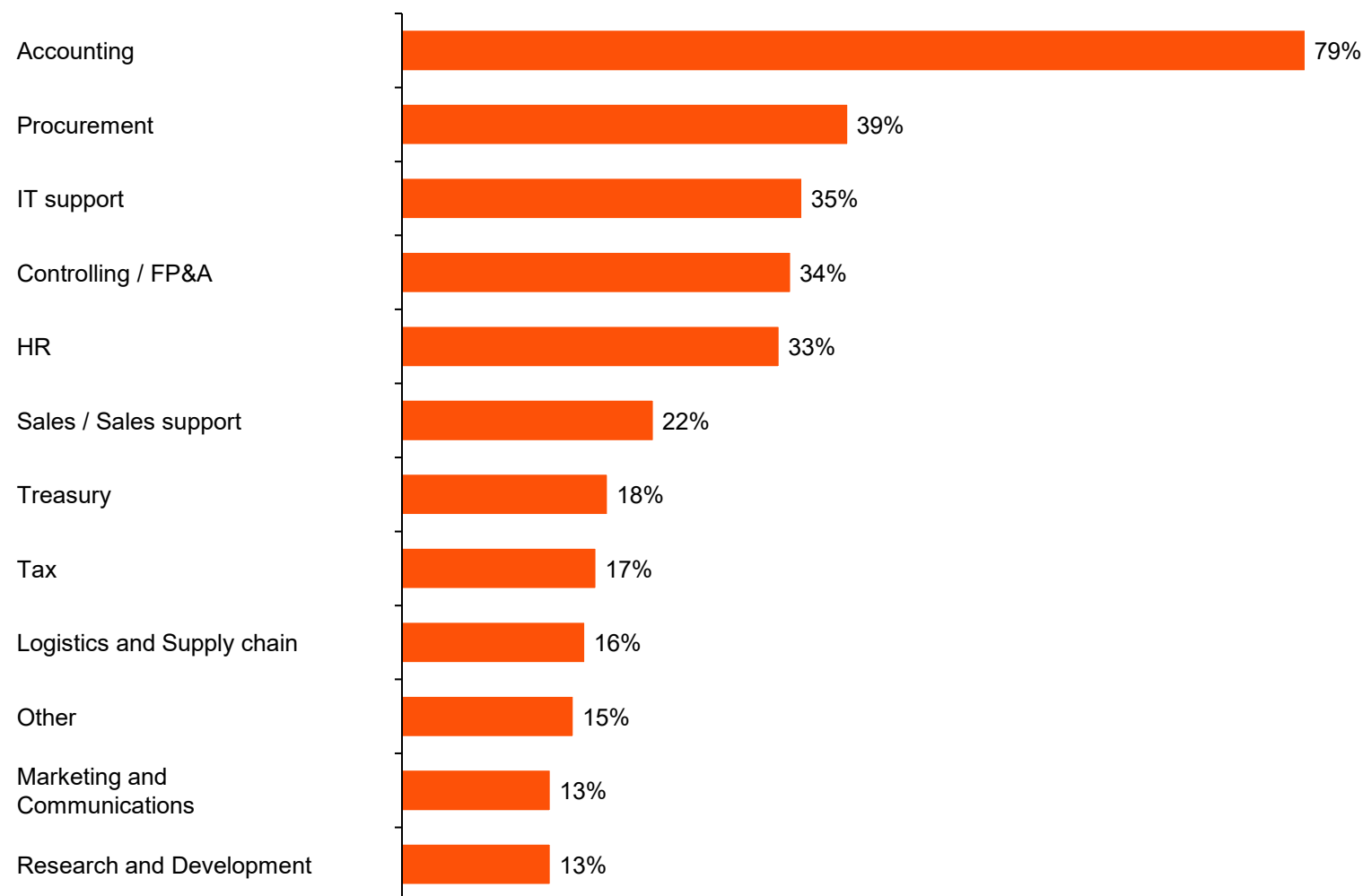
Which of the following potentials of RPA and AI in GBS are particularly relevant for your company?



Key facts

- **Increased efficiency** (96%) and **cost reduction** (85%) are the top priorities for adopting **AI and RPA** in GBS
- **Evolving technologies** like RPA and AI are **expected to redefine traditional business models**, focusing on quality enhancement and data-driven strategies
- A significant 84% and 58% of respondents see **quality enhancement and improved data analysis as beneficial**, indicating a consistent **focus on efficiency across all GBS types**

Which typical functional areas have you already implemented for artificial intelligence (AI) or robotic process automation (RPA)?



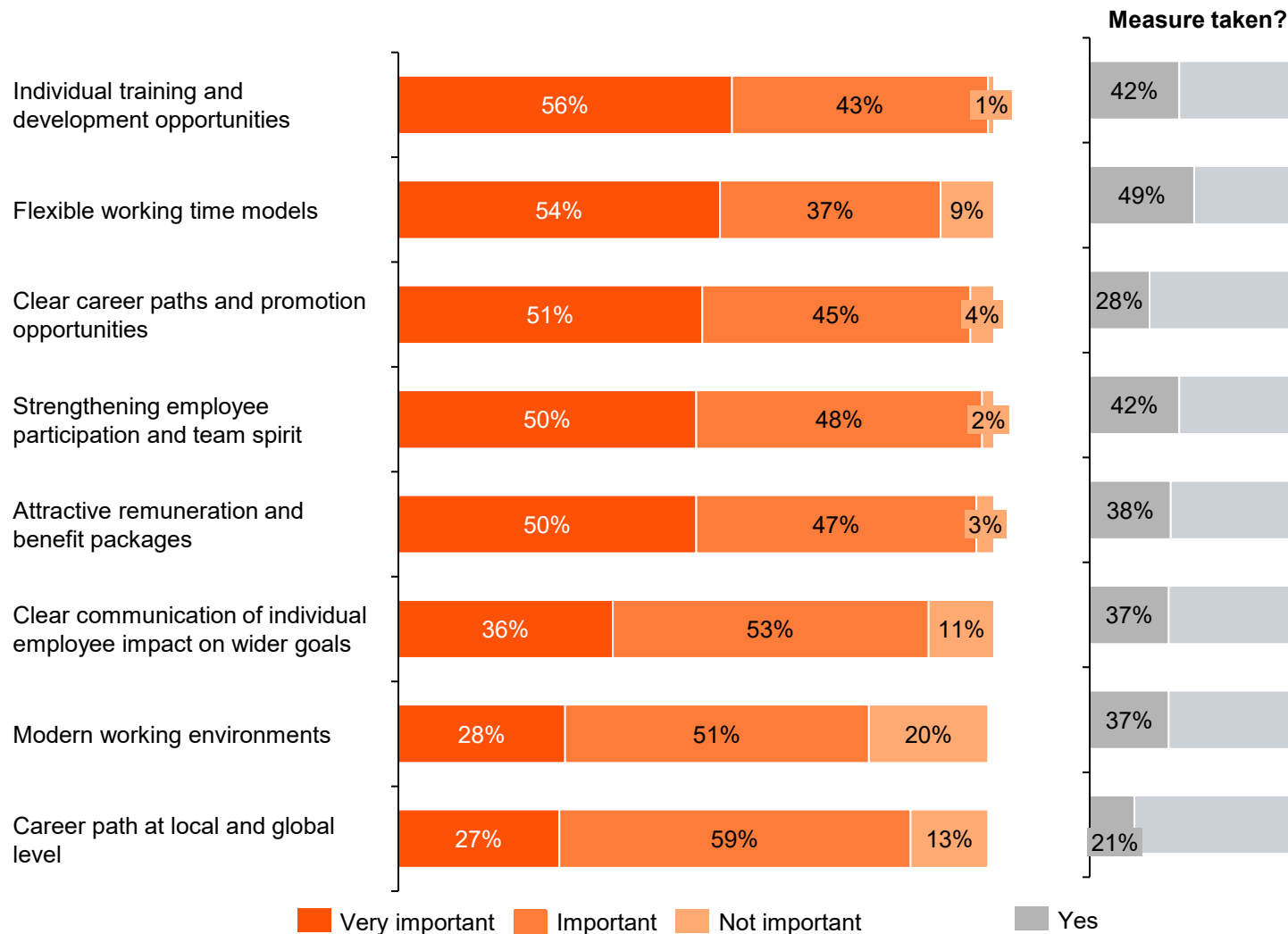
Key facts

- **Accounting** leads **RPA and AI adoption** with 79% usage, reflecting finance's central role in GBS and suitability for process automation
- GBS efficiently adopts **technologies in rule-based processes** like procure-to-pay, **leveraging low exception rates for technological integration**
- **AI and RPA see moderate** use in **HR, FP&A, IT support**, and **procurement**, focusing on operational efficiency and process optimisation

06

People, Culture and Workforce Development

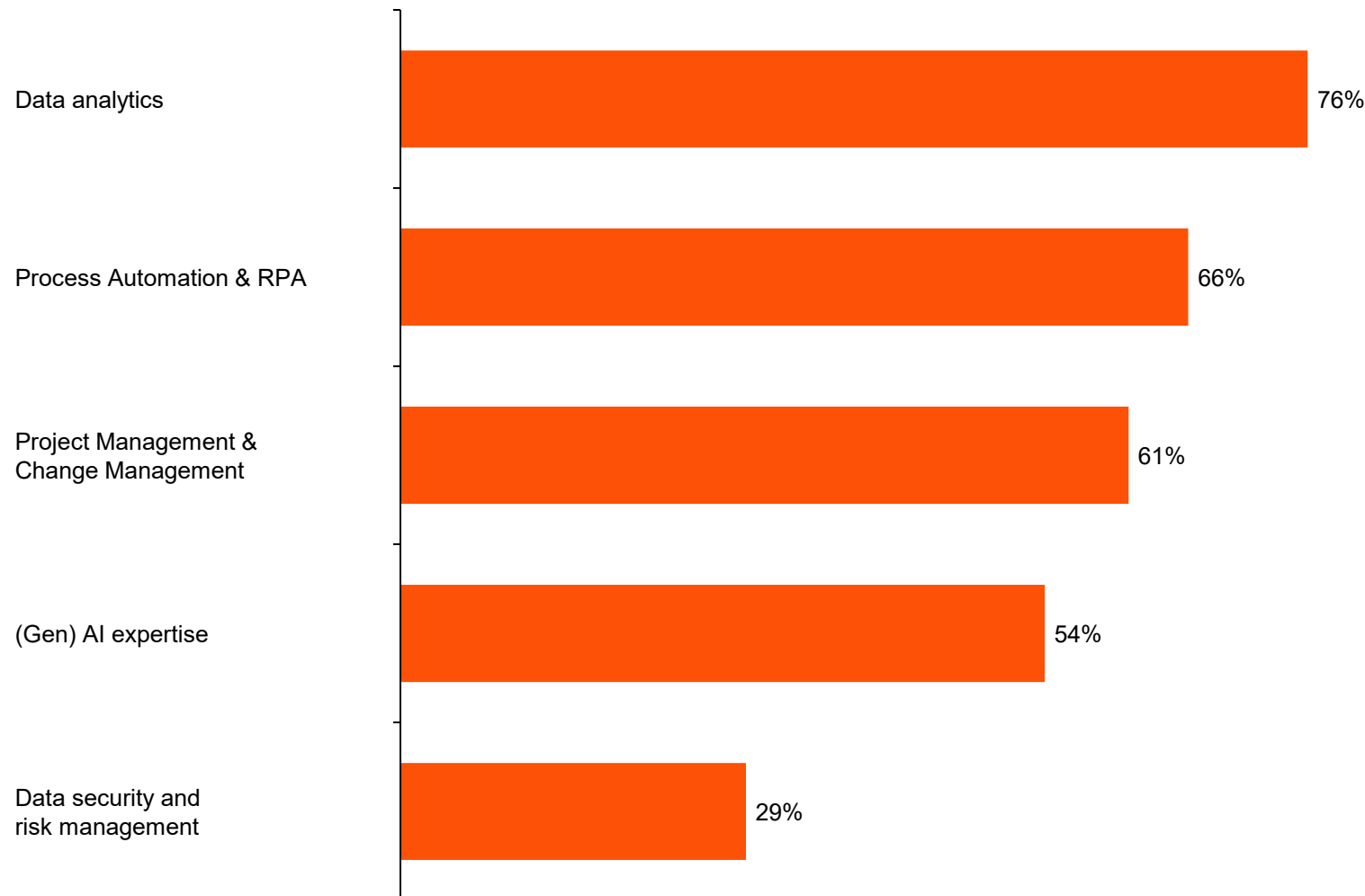
How important are these measures to position your GBS organization as an attractive employer?



Key facts

- 54% of organisations prioritize flexible working hours, with 49% implementing them to attract talent
- Only 37% of companies focus on modern office environments, as flexible hours reduce the need for physical office layouts
- Career paths in GBS are important to 51% of employees, but only 28% of companies implement them due to organisational hurdles and turnover

What skills are you looking to hire or build in your GBS organization?



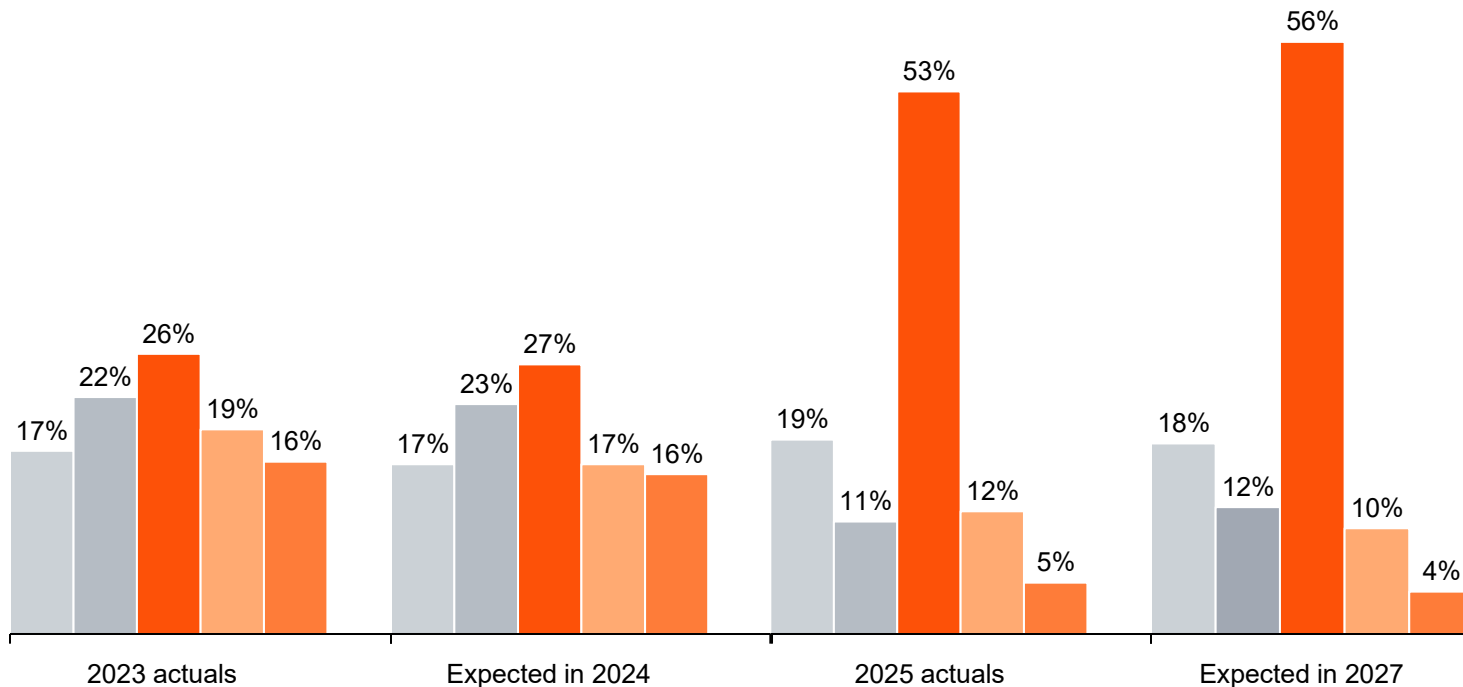
Key facts

- **76% of companies prioritize data analytics** in GBS, emphasizing a shift to data-driven decision-making beyond traditional operational excellence
- **66% identify process automation and RPA as crucial**, facilitating GBS's transition **from repetitive tasks to complex**, strategic **activities** amid rising costs in emerging markets
- Only **29% prioritize data security** and risk management, possibly **underestimating risks** or relying on headquarters for management

What is the current vs. expected work form strategy for your GBS organization?

2023 GBS study results

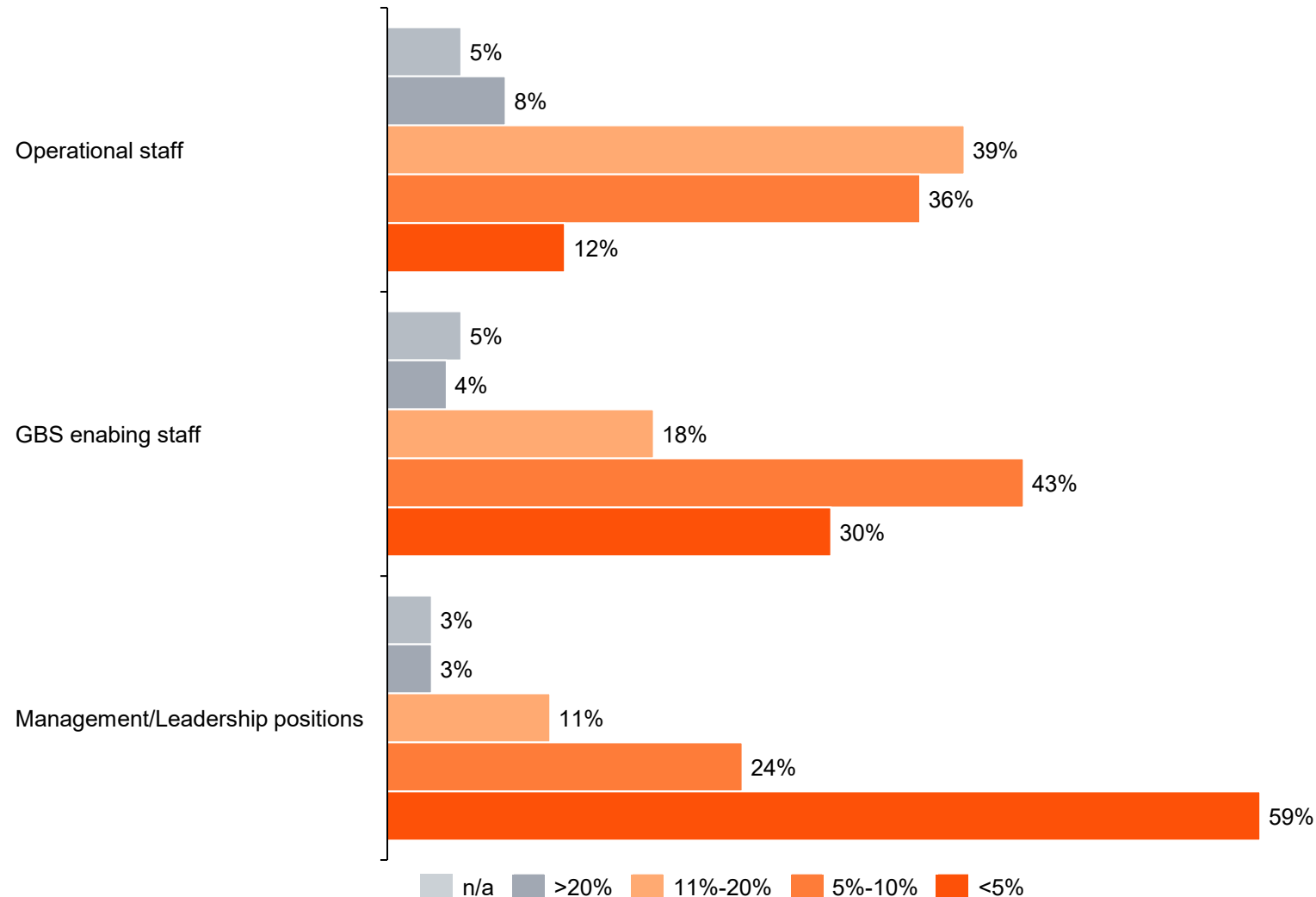
2025 GBS study results



Key facts

- Companies are moving towards **hybrid work** to cut costs, attract employees, and enhance environmental impact
- By 2027, **56% of organizations** expect to **adopt a fully hybrid model** (2-3 days per week in office), balancing flexibility and team cohesion
- Advanced technologies support seamless remote and on-site transitions**, promoting flexibility, work-life balance, and organisational goals in GBS

What is the average annual staff turnover experienced over the last three years?



Key facts

- **Significant turnover reduction** in GBS from 2023 to 2025, particularly in leadership roles, **reflecting successful retention strategies** like development and flexible work
- **Management turnover dropped** by 59% and **GBS-enabling staff** by 30%, highlighting **focus on long-term business goals** with skill development programs
- **Automation and AI** reduce turnover in operational roles, **improving job satisfaction** and loyalty **through more complex tasks**

Thank you

PwC sincerely thanks the participating companies for sharing their invaluable insights and information regarding their GBS strategies, which have been instrumental in the realization of this study.



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