



Scaling smart

Making GCCs work
for mid-size MedTech



Over the past 12–18 months, at least eight major pharmaceutical and life sciences companies launched, or announced plans to open, new global capability centers (GCCs) in India. Can a shared model expand the value opportunity to mid-size MedTech?

Over the past decade, **global capability centers (GCCs)** have become a cornerstone of growth and innovation in the life sciences industry, with nearly 100 such facilities powering R&D, data science, IT and other services—a figure expected to climb to 160 by 2030¹.

Yet for mid-size MedTech firms, the GCC opportunity has remained stubbornly out of reach, as developing and operating these centers requires sizable investments and typically only becomes profitable with a workforce of 500–1,000 employees, depending on the functions included. But today, a new model is breaking down the barriers—making the power of a GCC accessible to smaller companies ready to compete at a global scale.

The **fractional GCC**, an as-a-service model that shares infrastructure while maintaining clear separation and control,

offers mid-size companies a way to access the cost savings and operational resilience of a traditional GCC without the prohibitive expense and risk of going it alone. With the guidance of an experienced local partner, mid-size MedTech companies can develop a strategy that effectively navigates common operational, technological and cultural challenges—unlocking not just a more affordable entry point, but a more stable and sustainable path forward.

¹<https://www.biospectrumindia.com/views/73/25596/how-ai-innovations-at-gccs-solidifying-indias-position-in-global-life-sciences-industry-.html#:~:text=strategic%20hubs%20for%20multinational%20companies,drug%20discovery%20and%20clinical%20research>



Long-term ROI

GCCs achieve a **20%** annual cost decline after year three.²



Digital maturity

78% of newly established GCCs prioritize AI, ML and analytics.³



Innovation

GCCs generate **3.2x** more digital patents per \$1 million investment than outsourced operations.²



Scalability

85% of GCCs are forecasted to fully transition to hybrid and multi-cloud environments.³



Efficiency gains

By 2030, AI and machine learning integration are expected to power **75%** of GCC operations.³



Strategic alignment

93% of GCC leaders have direct reporting lines to C-suite executives, versus only **29%** of outsourcing models.⁴

²<https://community.nasscom.in/index.php/communities/global-capability-centers/future-business-delivery-models-gccs-gbs-shared-services>

³<https://community.nasscom.in/communities/global-capability-centers/gcc-annual-report-2024>

⁴<https://community.nasscom.in/index.php/communities/global-capability-centers/future-business-delivery-models-gccs-gbs-shared-services>

What is a fractional GCC?

A fractional GCC, sometimes referred to as GCC-as-a-service, is a shared version of a traditional GCC, that offers organizations the same flexibility and speed at a fraction of the cost.

What is not shared in a fractional model?

Data and intellectual property, business processes, and teams.

What companies can benefit from a shared GCC model?

Any company can leverage a fractional GCC, but it is most often used by organizations that don't need or cannot support the development and operational costs of a standalone GCC.



Spotlight on GCC-as-a-service

What is the value of a fractional GCC?

Similar to engineering factories—a next-generation approach to outsourcing that integrates world-class engineering talent, digital technologies, optimized factory setups, and cross-industry collaboration—GCCs reimagine the traditional outsourcing model, delivering cost savings and continuous innovation at scale, in a way that traditional outsourcing never could.

What is shared in a fractional model?

Infrastructure, lab facilities, operational overhead, along with specialized skills and niche capabilities that enhance and extend the capabilities of core technology platforms.

Why now? Making the case for GCCs in MedTech today

The conversation around GCCs has never been more relevant for MedTech companies.

In early 2025, sweeping U.S. tariffs disrupted the MedTech industry, sending shockwaves through global supply chains and further squeezing already tight margins. For a sector deeply dependent on global hardware production, this has highlighted the need to expand digital offerings—not only to offset tariff costs but also to build a more resilient, profitable, and future-ready business model.

Fractional GCCs can be part of the solution and, if done correctly, can accelerate the shift to a services model. For

example, companies can adopt a sustenance engineering model to outsource the ongoing maintenance, support, and lifecycle management of both hardware and software platforms, including embedded systems and digital product lines.

Organizations can further unlock efficiency gains and cost savings by incorporating scalable regulatory services such as documentation, audit readiness, and post-market surveillance. Taken together, these capabilities offer organizations the flexibility to scale up and down depending on demand, while also freeing up in-house engineers to focus on higher-value innovation programs.

Tariffs as a turning point

To learn more about how MedTech companies can mitigate the impact of tariffs by shifting to a services model, read our related POV.

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Additional market forces accelerating the shift to fractional GCCs for mid-size MedTech

	Issue	Fractional GCC advantage
 Talent scarcity	A global shortage of engineers, regulatory specialists, and data scientists, particularly in North America and Europe, requires mid-sized firms to compete with Big Tech and large Pharma for top-tier talent.	Fractional GCCs provide immediate access to skilled professionals in India, Eastern Europe, and Latin America without the need for long-term hiring cycles.
 Digital health acceleration	The post-pandemic world has rapidly accelerated the need for virtual care models, remote monitoring, and digital therapies, increasing engineering and operational demands on MedTech companies.	Fractional GCCs offer agile engineering capacity and help companies build digital health solutions quickly and securely.
 AI/Gen AI integration	Emerging technologies such as GenAI, machine learning, and predictive analytics are reshaping product design, clinical trials, and patient engagement.	Fractional GCC models enable companies to capitalize on these technologies through ready-to-deploy talent and tools.
 Cybersecurity and compliance complexity	Global harmonization of regulatory frameworks (e.g., EU MDR, FDA updates) and increasing cyber threats to connected devices make compliance and data security top priorities.	Fractional GCCs are built with secure infrastructure and compliance-first design, reducing risk while accelerating delivery.
 Rapid commercialization	Mid-sized MedTech firms face critical challenges such as regulatory complexity, limited internal bandwidth, and investor-driven timelines which hinder their ability to launch products quickly across geographies.	Fractional GCCs deliver 24/7 global operations, rapid prototyping, and cross-border regulatory support—often enabled by GenAI and other advanced technologies—to accelerate time-to-launch without long-term overhead.

Navigating the challenges of GCCs

- “What’s the average cost of a data engineer in Pune?”
- “Where is the closest control lab to the proposed GCC site?”
- “Which public holidays apply to employees in the local district?”

For MedTech companies setting up a GCC, these are not hypothetical questions—they are real issues that the organization must navigate. Unfortunately, many companies are not prepared or equipped to do so.

Too often, companies underestimate the complexity of global markets, especially in a diverse and nuanced country like India. While many mid-sized firms are drawn to GCCs by the promise of labor cost savings and scale, their efforts may stall or fail because they overlook cultural and regional dynamics.

In MedTech, for example, some firms are drawn to Delhi based on its rich engineering talent pool. But success hinges not just on recruitment, but also on the strength of the surrounding ecosystem: access to hospitals for clinical trials, control labs for testing, prototyping vendors, and contract manufacturers. These are areas where Delhi can fall short.

Another common issue is recruitment. For many local engineers, brand reputation is everything. If the talent pool does not recognize and trust the hiring party—and indeed many mid-size MedTech companies do not have a strong presence in India—recruitment will likely be a challenge, even when talent is plentiful.

As companies pursue GCCs, they must remember that the value of this model is undeniable—but the benefits are not automatic. Missteps can be expensive, both financially and in lost time.

To ensure GCC investments draw a strong return, companies need a clear strategy and roadmap, ideally developed in partnership with a local service provider who understands the cultural nuances and regional variations that influence success.

>15% | of all GCC employees in India work in the healthcare and life sciences sector⁵

⁵https://analyticshindiamag.com/gcc/5-gccs-driving-pharma-and-healthcare-innovation/?utm_source=chatgpt.com



6 strategic use cases for fractional GCCs in MedTech

With facilities supporting anything from admin to innovation, the use cases for life sciences GCCs are vast. Here we explore six initial, high-impact use cases for MedTech companies in fractional GCCs.

1. Platform sustenance & lifecycle engineering

Lifecycle engineering and platform sustenance are essential for any MedTech company—extending far beyond regulatory compliance. A fractional GCC allows organizations to offload these responsibilities to specialized offshore teams that not only ensure adherence to regulations and provide field support, but also continuously optimize products, implement cost-effective redesigns, and execute timely technology refreshes in line with evolving clinical needs and market demands. This unlocks valuable cost savings and efficiency gains, while also freeing up internal resources to focus on innovation and product pipeline acceleration.

2. New product development & connected device innovation

With connected devices and software-defined products becoming mainstream in MedTech, the demand for agile engineering teams has grown. Fractional GCCs enable firms to rapidly assemble cross-functional pods that handle co-development of hardware, embedded firmware, mobile apps, and cloud platforms. These agile teams can be deployed for specific innovation projects, enabling iterative development, digital twin simulation, and integration of AI or edge computing features without straining the core R&D organization.

3. Regulatory & clinical operations

The volume and complexity of regulatory and clinical data have increased exponentially with global market expansion. Fractional GCCs provide scalable support for document generation, regulatory labeling, submission prep, and clinical trial data management. These teams can handle structured content management, digital workflows, and cross-regional submissions, ensuring that companies remain agile in the face of constantly evolving regulatory expectations.

4. Digital health & SaMD engineering

Digital therapeutics (DTx), software-as-a-medical-device (SaMD), and AI-based health apps require rapid iteration, clinical-grade validation, and seamless integration with device ecosystems. Fractional GCCs allow companies to spin up agile teams with experience in building secure, cloud-native digital platforms, mobile applications, and integrated APIs. These teams can co-create patient engagement tools, telehealth interfaces, and remote monitoring solutions while complying with digital health regulations.

5. Commercial operations & analytics

Marketing and commercial teams increasingly rely on integrated analytics to track HCP engagement, payer dynamics, and campaign ROI. Fractional GCCs offer expertise in CRM optimization, omnichannel marketing automation, and sales operations analytics. With embedded analytics and visualization capabilities (e.g., Tableau, Salesforce), these teams help optimize commercial strategy and execution, all while supporting localization and global scalability.

6. AI & ML Center of Excellence

Through a fractional GCC, clients can establish an AI and Machine Learning (ML) Center of Excellence, focusing on the development and deployment of AI models for early disease detection, surgical planning, and clinical decision support systems across specialties.

These facilities can also accelerate the development of autonomous systems, including robotic-assisted surgeries, medication delivery, and integration of advanced technologies like haptics into robotic systems. For example, companies can advance autonomous surgery roadmaps with systems that handle repetitive tasks such as suturing, and even build humanoid robots to support critical functions like instrument validation, checklist and sterility compliance, and sterile zone adherence during procedures.

Additionally, a fractional GCC can drive innovation in real-time imaging integration, digital twin simulations, and next-generation systems that analyze vast streams of real-world evidence and device log data — paving the way for smarter, more efficient surgical and clinical automation across specialties.

Case Study: Sustenance engineering at scale

A global medical device company in the urology, endoscopy, and cardiovascular space wanted to expand engineering bandwidth, manage cost, and build digital capabilities.

Working with Capgemini, the company established a BOT-mode Global Sustenance Center in Pune that featured three key capabilities designed to promote resilience, compliance, and flexibility:

1. Functional support for QA, RA, mechanical and embedded systems
2. Co-designed governance, onboarding, and transition plans
3. Regulatory-ready infrastructure

The engagement began with a joint scoping workshop involving stakeholders across delivery, HR, legal, and infrastructure teams. A phased onboarding and transition plan ensured smooth knowledge transfer and IP retention. Regulatory alignment and ISO-compliant frameworks were embedded from day one, allowing the center to support both existing and pipeline products without risk.

Through the formation of the GCC, the company was able to address immediate engineering bottlenecks while laying the foundation for broader global R&D capabilities. Further, by leveraging the BOT model—Built-Operate-Transfer—the company was able to increase immediate speed and flexibility by working with a partner without compromising long-term strategic control.

Outcomes:

- Operational within 6 months
- Fully staffed with 100+ engineers
- 40-50% lower cost of operation
- Seamless transition to internal ownership within 2 years



7 Steps to jumpstart your GCC journey

1

Start with an assessment.

- Conduct a strategic assessment of business needs and capability gaps.
- Identify critical functions that require additional bandwidth, specialized skills, or cost optimization.
- Gather input from cross-functional stakeholders in R&D, regulatory, commercial, and IT.
- Develop a robust business case that articulates ROI and aligns with product and market strategies.

2

Select the optimal model and design for scale.

- Select the right fractional GCC engagement model: BOT, assisted captive, or managed service.
- Design scalable pathways to support expansion or transitions between models to support future business needs and growth (e.g., from managed service to captive or expanding pods into full verticals).
- Identify the delivery geography, structure IP protection and data compliance frameworks, and align on SLAs, KPIs, and escalation protocols.
- Define governance and communication models, ensuring transparency and accountability.

3

Structure delivery around secure, modular, client-specific pods.

- Establish logically and operationally isolated teams, with tailored infrastructure, governance, and access controls aligned to regulatory and IP requirements.
- Back these pods with ISO-certified processes, contractual firewalls, and secure environments to ensure strict confidentiality and compliance at scale.

4

Organize into domain-specialized verticals with cross-functional support.

- Align the GCC around specialty-focused verticals (e.g., cardiology, imaging, orthopedics) staffed with domain experts, clinical SMEs, and skill-specific specialists.
- Support teams with horizontal functions like digital engineering, AI/ML, regulatory, cybersecurity, and program management to ensure depth, breadth, and adherence to medical compliance standards.

5

Invest in innovation-enabling capabilities and knowledge management.

- Build Centers of Excellence (CoEs) in key areas like engineering, innovation, and compliance testing to accelerate prototyping and innovation.
- Leverage context-aware knowledge bases, reusable assets, and compliance toolkits to deliver scalable, high-impact solutions.

6

Bridge IT and OT to accelerate innovation.

- Integrate information technology (IT) and operational technology (OT) to create a more holistic, responsive organization.
- Combine IT's strengths in cloud, data, and cybersecurity with OT's expertise in device engineering, embedded systems, and real-time operations to accelerate innovation and improve product quality.
- Incorporate governance and upskilling initiatives to further enhance agility, enabling companies to deliver more cohesive, cutting-edge solutions to market faster.

7

Embed agile feedback and optimization.

- Implement quarterly reviews with key stakeholders to assess performance, ROI, trends, and evolving needs.
- Leverage metrics-driven dashboards to track SLA adherence, innovation velocity and compliance health-checks.
- Enable a continuous feedback mechanism from cross-functional teams to refine pod structures and engagement models.

Unlock the power of a fractional GCC

As global capability centers continue to reshape life sciences, the fractional GCC opens the door for mid-size MedTech firms to join the movement on their own terms. By embracing a shared, flexible model with the right local expertise, these companies can finally tap into the cost efficiency, innovation, and resilience of a GCC, positioning themselves to compete and thrive on the global stage.

Ready to begin your fractional GCC journey? Contact our experts today to learn more about how your company can leverage this model to fuel your growth



Geoff McCleary

Vice President

geoff.mccleary@capgemini.com



Atul Kurani

Vice President

atul.kurani@capgemini.com



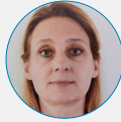
List of contributors



Adam Furness

UK MedTech Lead
Capgemini Invent

adam.furness@capgemini.com



Agnes Fritsch

Principal Pre Sales Director Life Sciences
Capgemini Engineering

agnes.fritsch@capgemini.com



David Stout

Account Executive, US
Capgemini

david.stout@capgemini.com



Christian Ramcke

Industry head MedTech, Domains Germany
Capgemini

christian.ramcke@capgemini.com



Ananya Das

Director, Connected Health & MedTech Lead
Life Sciences Industry Platform,
Capgemini

ananya.c.das@capgemini.com



Wade Dewald

Executive VP, North Central Market Unit,
Healthcare GTM Leader,
Capgemini

wade.dewald@capgemini.com

Capgemini: A GCC leader for 20+ years to 200+ organizations

Every MedTech company is on a different journey—but what unites them all is the imperative to innovate faster, scale smarter, compete globally and stay cost efficient. As the MedTech industry shifts toward a service-based model, GCCs are becoming an essential component of the business strategy.

As a leading GCC service provider and one of the original architects of the fractional GCC model, Capgemini is expertly positioned to help midsize MedTech companies access this value opportunity. With decades of experience, deep MedTech expertise, and a global delivery footprint, we offer a flexible, scalable, and proven pathway to accelerate growth, reduce costs, and strengthen operational resilience for companies of all sizes.

Whether you're launching your first digital therapeutic or SaMD, scaling a platform, or transforming regulatory operations, we can help you design, build and operate the right global capability structure—tailored to your needs, budget, and growth plans.

Why Capgemini

20+ years GCC experience	200+ GCC client portfolio	30,000+ dedicated GCC associates
20+ global delivery centers	10+ specialty labs, including: - Generative AI - Quantum - MedTech labs - ASE Lab for Customer Prototype 6G and 5G research - DCX Foundry & frog Design - SAP CoE	20+ Applied Innovation Exchange centers, including: - Hyderabad, India - London, UK - Melbourne, Australia - Mumbai, India - New York, USA - Paris, France - San Francisco, USA - Sao Paulo, Brazil - Shenzhen, China - Singapore, Singapore

What we do:

- Evaluate your global capability strategy
- Identify the right functions and operating model for a fractional GCC
- Rapidly prototype and scale teams with compliance and security built in
- Seamlessly transition from tactical execution to long-term strategic value

About Capgemini

Capgemini is a global business and technology transformation partner, helping organizations to accelerate their dual transition to a digital and sustainable world, while creating tangible impact for enterprises and society. It is a responsible and diverse group of 340,000 team members in more than 50 countries. With its strong over 55-year heritage, Capgemini is trusted by its clients to unlock the value of technology to address the entire breadth of their business needs. It delivers end-to-end services and solutions leveraging strengths from strategy and design to engineering, all fueled by its market leading capabilities in AI, generative AI, cloud and data, combined with its deep industry expertise and partner ecosystem. The Group reported 2024 global revenues of €22.1 billion.

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