Deloitte.

# A GCC leader's guide for driving Generative AI adoption

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# Foreword

The transformative power of Generative AI (GenAI) is undeniable, and its potential to reshape industries and business operations is significant. As the GCC landscape evolves, it is clear that these centres are not just passive observers but active catalysts in this AI-driven transformation. The combination of strategic alignment, technological prowess, data-driven insights and a culture of innovation positions GCCs well to adopt GenAI.

This report is a resource for GCC leaders to assess readiness for GenAI adoption. It provides an approach for identifying and prioritising use cases, a high-level approach to implementation and metrics to measure success. Addressing key considerations and risks helps GCCs harness GenAI's full potential while mitigating potential challenges.

As Deloitte India's GCC and AI leaders, we are excited to witness the role GCCs will play in shaping the future of GenAI. This thought paper reflects our commitment to empowering GCCs with the knowledge they need to initiate and lead this transformative journey. We believe that by embracing GenAI and using the insights within this report, GCCs can unlock value, drive innovation and achieve success in the AI-powered era.

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> Generative AI is the single most significant platform transition in computing history. In the past 40 years, nothing has been this big. It is bigger than PC, it is bigger than mobile, and it is going to be bigger than the internet by far.[1]
>
> **- Jensen Huang, CEO, NVIDIA**

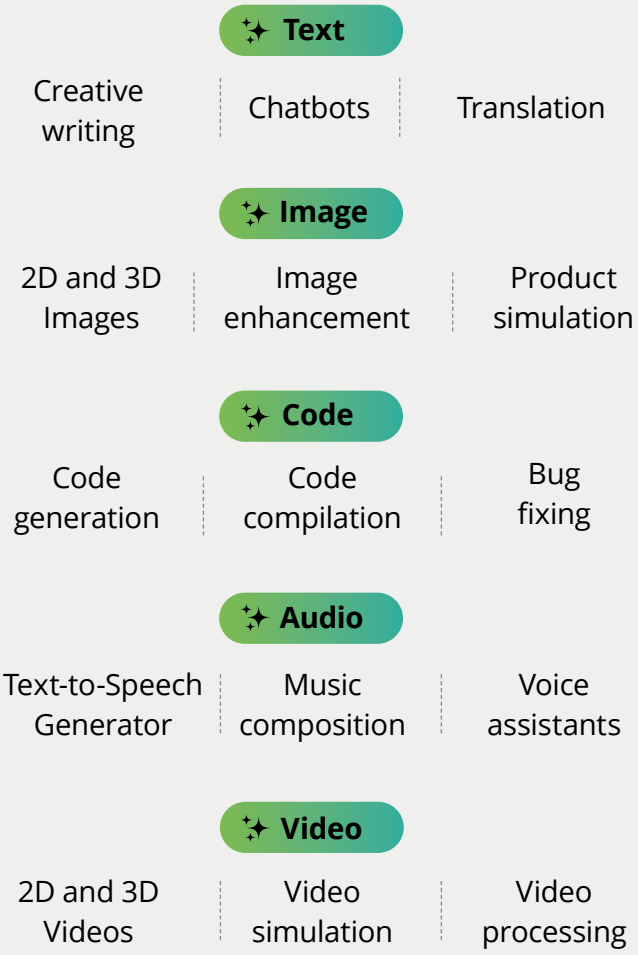
[1] The Practical Impact Of AI For The Masses, Forbes, 28 November 2023

# The role of Global Capability Centres (GCCs) in harnessing GenAI capabilities

**GCCs can be at the forefront of driving enterprise-wide adoption of GenAI. Their strategic role allows them to effectively pilot and scale AI initiatives, unlocking new opportunities for their parent organisations. With their robust technological ecosystems and unwavering commitment to innovation, GCCs are poised to lead this transformation and not just participate.**

GCCs are strategic partners driving innovation and digital transformation for their parent organisations. They use advanced tools, agile methodologies and external partnerships to enhance efficiency and customer/employee experiences. Initiatives such as innovation labs and hackathons keep them at the forefront of technology. While GCCs have long led technology transformation, GenAI presents a new frontier, offering incremental digitisation and transformative opportunities for new services and business models.

GenAI can be applied across various modalities, offering unique capabilities for automating and enhancing business operations. The primary modalities include text, image, code, audio and video. The illustration below demonstrates GenAI's significant potential to transform business processes and create new opportunities for innovation at the enterprise scale. GCCs are the perfect testbed for these capabilities and will play a key role in the widespread adoption of this new technology.




> The ability of GCCs to integrate GenAI into the fabric of their service delivery will be a game-changer, enabling them to redefine processes and improve efficiency, establishing them as leaders in the global enterprise ecosystem.
>
> **– Yatin Patil, Partner, Leader - Enterprise Technology and Performance, Deloitte South Asia**

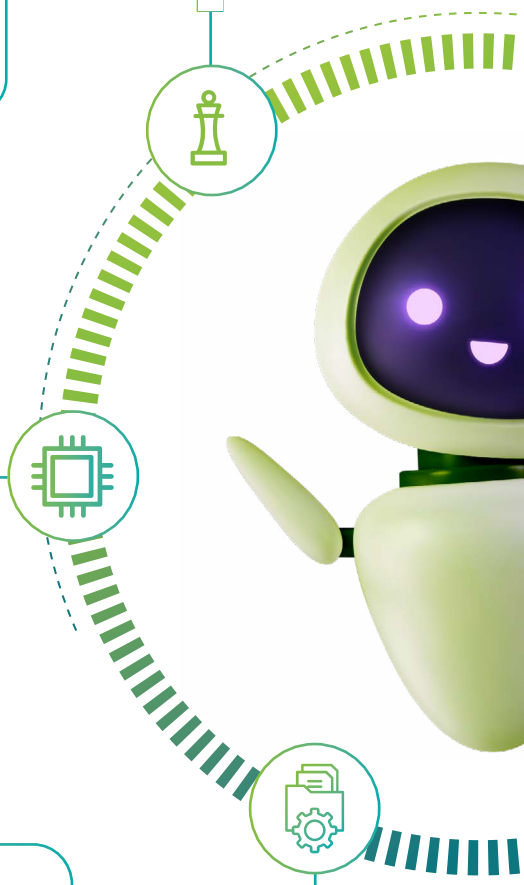
# Accelerating GenAI adoption

GCCs possess inherent strengths and capabilities, making them the perfect leaders for their parent organisation's GenAI adoption initiatives.

1

**Strategic alignment**

By proactively collaborating with the parent organisation's leadership, GCCs can define a clear GenAI strategy that complements the broader business objectives. This enables GCCs to integrate their operations seamlessly into their global strategy, enhancing the organisation's ability to innovate and operate efficiently.



2

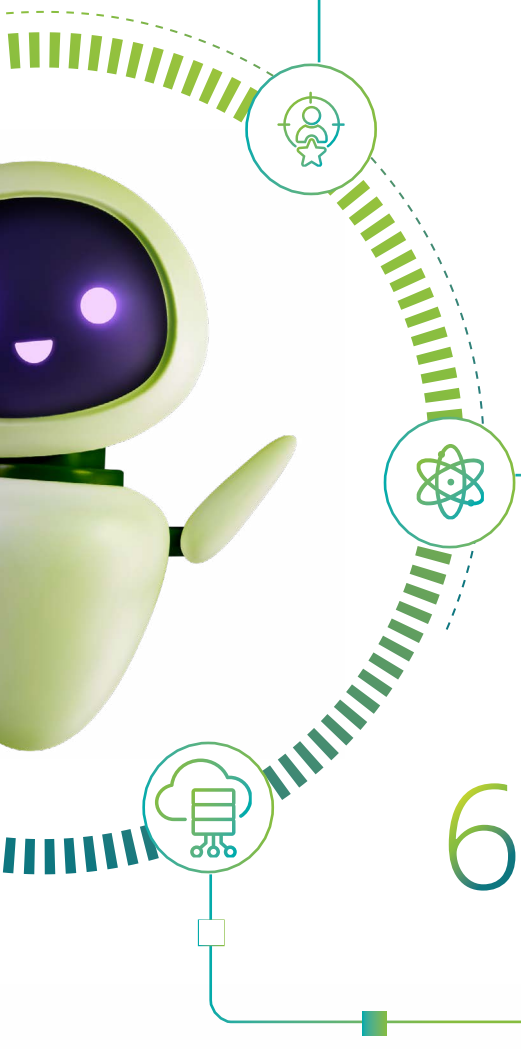
**Tech-enabled ecosystem**

GCCs have a tech-enabled ecosystem that enhances their ability to harness GenAI. Their robust infrastructure, extensive network of technology vendors, access to digital talent, thriving ER&D community, and mature tech start-up ecosystem create fertile ground for the rapid adoption and development of GenAI solutions.

3

**Data access and management**

As key data custodians for their parent organisations, GCCs have extensive experience in managing vast, cross-functional datasets. Their adoption of a Centers of Excellence (COE) approach ensures robust data governance and infrastructure. The ability to gather, clean and maintain high-quality datasets, along with their proficiency in automation and custom workflows, makes GenAI a natural extension, enabling insights and innovative operations.



4

### Talent availability

GCCs have expertise in AI/ML, product engineering and analytics essential for developing, deploying and maintaining GenAI solutions. This is complemented by business/domain knowledge and process ownership, enabling them to provide a well-rounded solution to business problems using GenAI. The opportunity to work on cutting-edge global projects and the learning thereof enable GCCs to attract and retain AI talent necessary to drive innovation.

5

### Culture of experimentation

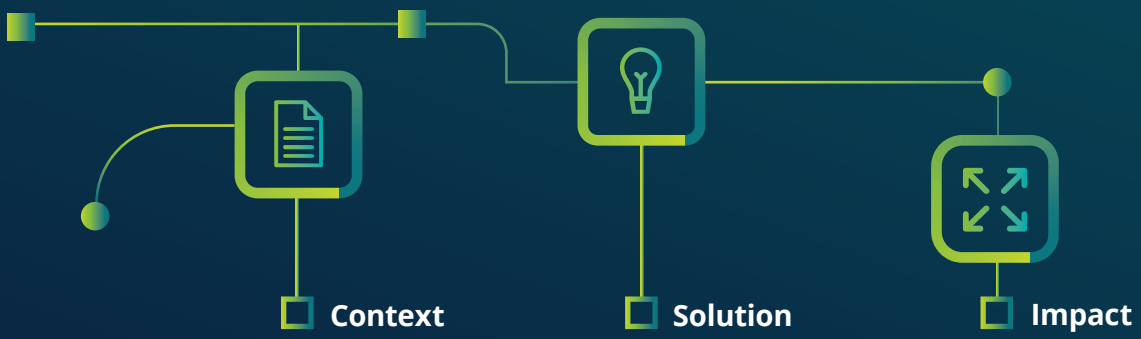
A culture of experimentation is key for GCCs, enabling stakeholders to explore and pilot new GenAI applications across business functions. This approach allows GCCs to rapidly test, refine and implement AI solutions, driving meaningful innovation. The parent organisation also plays a vital role by creating a supportive and empowering environment that encourages GCCs to experiment freely, gain insights and apply new learnings.

6

### Scalability and flexibility

Using advanced infrastructure and methodologies, GCCs ensure GenAI solutions remain scalable and flexible, adapting efficiently to project demands. Cloud-based platforms allow GCCs to scale resources as needed. Their experience in Agile and DevOps practices enables rapid development and iterative improvement of AI models. Such enablers allow GCCs to deploy modular, maintainable AI solutions capable of handling varying workloads.

Several GCCs have successfully adopted and implemented GenAI across various use cases. The following is a selection of Deloitte case studies that illustrate how these GCCs have applied GenAI effectively:




*A British-Dutch multinational consumer goods company*

| | | | |
|---|---|---|---|
| **GenAI bot for enhancing employee experience** | Employees experienced **delays and inefficiencies in resolving payroll and HR queries,** such as taxation and benefits issues. | **Implemented voice-enabled AI bots integrated with ServiceNow** to efficiently handle diverse payroll and HR-related inquiries. | • Enhanced employee experience through **24/7 support.**<br>• Achieved a **65 percent success rate** and **lowered ticket volumes by 5 percent.**<br>• **Reduced dependency on human intervention** through self-service options. |

*An American multinational technology company*

| | | | |
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| **GenAI-enabled customer communications** | Various customer scenarios, such as **declined payments or subscription renewals, required tailored communications.** Manual drafting was **time-consuming and inefficient.** | **Automated template generation** using GenAI to craft personalised messages based on customer interactions. | • Reduce effort and time in generating new templates.<br>• **Improve operational efficiency.**<br>• Facilitate faster response times **to customer inquiries.** |

*A German luxury automotive company*

| | | | |
|---|---|---|---|
| **Automated generation of assembly instructions** | Instructions drafting was manually done, **requiring significant effort to prepare part-specific assembly instructions.** | Developed an AI-based system to **automate the generation of assembly instructions** based on car model BOM data. | • Reduce effort and time **in generating instruction.**<br>• **Improve operational efficiency**.<br>• Reduce manual effort **for new part assembly.** |

# The nexus of enterprise systems, GenAI and GCCs for enterprise transformation

Integrating GenAI into enterprise systems, especially those adopted by GCCs such as SAP, Oracle and ServiceNow, presents a compelling opportunity for GCCs to transform enterprise operations. Using AI's capabilities within these core systems, GCCs can automate routine tasks, extract valuable insights from vast datasets and enable intelligent decision-making. The ability of GenAI to understand natural language queries and generate contextually relevant responses can significantly enhance user experiences within their environments:

- Per SAP, SAP Joule[2] has been integrated across various SAP applications, including HR, finance, supply chain, procurement, customer experience and into the SAP Business Technology Platform. Joule aims to enhance user interaction by providing seamless navigation, rapid information retrieval and efficient execution of business tasks. It also offers proactive recommendations and even AI-assisted code generation.
- Oracle cites its OCI Generative AI Service,[3] which incorporates large language models into its modules. It supports use cases, such as writing assistance, summarisation, data analysis and interactive chat, helping businesses automate and enhance various operations across their systems.
- According to ServiceNow, GenAI has been integrated into the workflows of its Now Platform,[4] called Now Assist. It provides unconventional GenAI experiences, enabling productivity improvements, increased operations agility and better employee/customer experiences for IT service and operations management, customer service management, HR services, portfolio management, etc.

Deloitte's Ascend[5] platform for ERP systems incorporates GenAI capabilities and process accelerators to support clients' transformation initiatives. These advancements cater to various use cases embedded with enterprise systems, enabling automation across critical functions such as autonomous coding, configuration, design, testing and project management. This integration streamlines operations and accelerates digital transformation for clients, positioning them to achieve greater efficiency and innovation in their ERP-driven processes.

> GCCs are experiencing rapid growth, becoming mature, efficient and innovative. As they continue this journey, GenAI presents a unique opportunity that they must seize, lead and own.
>
> **– Deepak Mowdhgalya, Partner, Leader, Finance Transformation, Deloitte India**

2. SAP Joule, SAP
3. Oracle Generative AI Service, Oracle
4. "Put Generative AI to work with Now Assist," Service Now
5. Deloitte's Ascend™, Deloitte

# How can GCCs gauge their GenAI adoption readiness: A strategic assessment framework

As GCCs plan to use GenAI for business transformation, they must assess their readiness to implement and adopt this technology effectively, focusing on two key dimensions:

**Ecosystem enablers:** Strategic factors that support GCCs' overall readiness and alignment with the parent organisation's objectives, focusing on fostering innovation and ensuring leadership buy-in.

**Capabilities:** Organisational and technical elements that ensure the GCCs are equipped to develop, deploy and sustain GenAI solutions.

## Ecosystem enablers

1. **Strategic alignment:** Alignment of a GCC with the parent organisation's goals and objectives, demonstrating its ability to deliver strategic business outcomes and support the parent organisation in pursuit of its goals.
2. **Services/Processes delivered:** The range and depth of services and processes delivered indicate the level of collaboration and demand for GenAI use cases.
3. **Leadership buy-in:** Align with the business/ functional and regional leaders to obtain resources and sponsorship to drive GenAI initiatives.
4. **Culture of innovation:** The extent to which a GCC fosters an environment that encourages experimentation, innovation and adoption of new technologies and methodologies.

## Capabilities

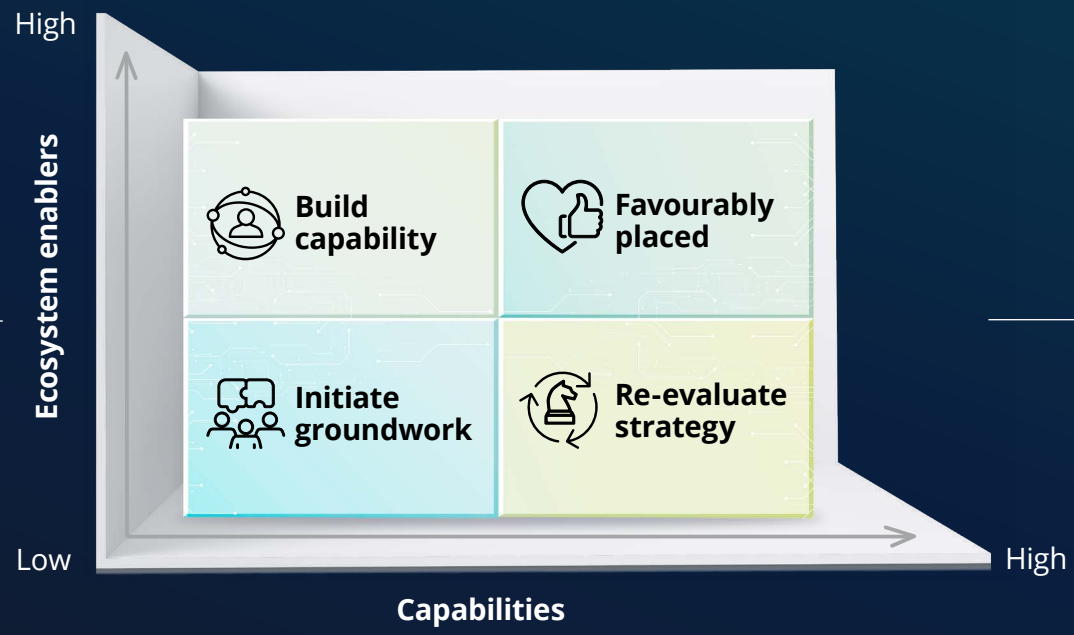
1. **Technology infrastructure:** Technology capabilities include computing power, scalable storage, advanced AI/ML tools, frameworks and libraries, and networking to support end-to-end solutions.
2. **Talent pool:** Expertise in AI, ML, data science and software development for strategising and implementing GenAI solutions at scale.
3. **Data management capability:** Effective data storage, processing and management capabilities within GCC.
4. **Change management and communications:** Effectively drive awareness of GenAI solutions and ensure employee readiness through knowledge management initiatives and communication.
5. **Risk, compliance and security:** Established governance structures for data privacy and processes to mitigate hallucinations and unethical responses.
6. **Partnerships:** Third-party partnerships with industry players, hyperscalers, academia, research institutions or start-ups to enhance GenAI capabilities.

A quick mapping of GCC's abilities across the two dimensions would reveal its readiness quotient to successfully undertake the GenAI journey. This assessment identifies GCC's current positioning and highlights the key focus areas.

**Figure 1: GenAI adoption readiness assessment framework**

**Build capability:** While there is clarity and alignment on GCC contributions to the parent organisation and express support from the leadership for driving GenAI initiatives, the GCC must look to ramp up capabilities across talent, technology, etc., to successfully deliver the GenAI initiatives.

**Favourably placed:** The GCC is well-positioned to implement GenAI initiatives effectively as it has clarity on its role and strategy in line with that of the parent organisation. The GCC collaborates seamlessly with the parent company and ensures there is sponsorship and demand from the parent leadership to drive the GenAI initiatives. The GCC has also built capabilities to deliver on the GenAI agenda.

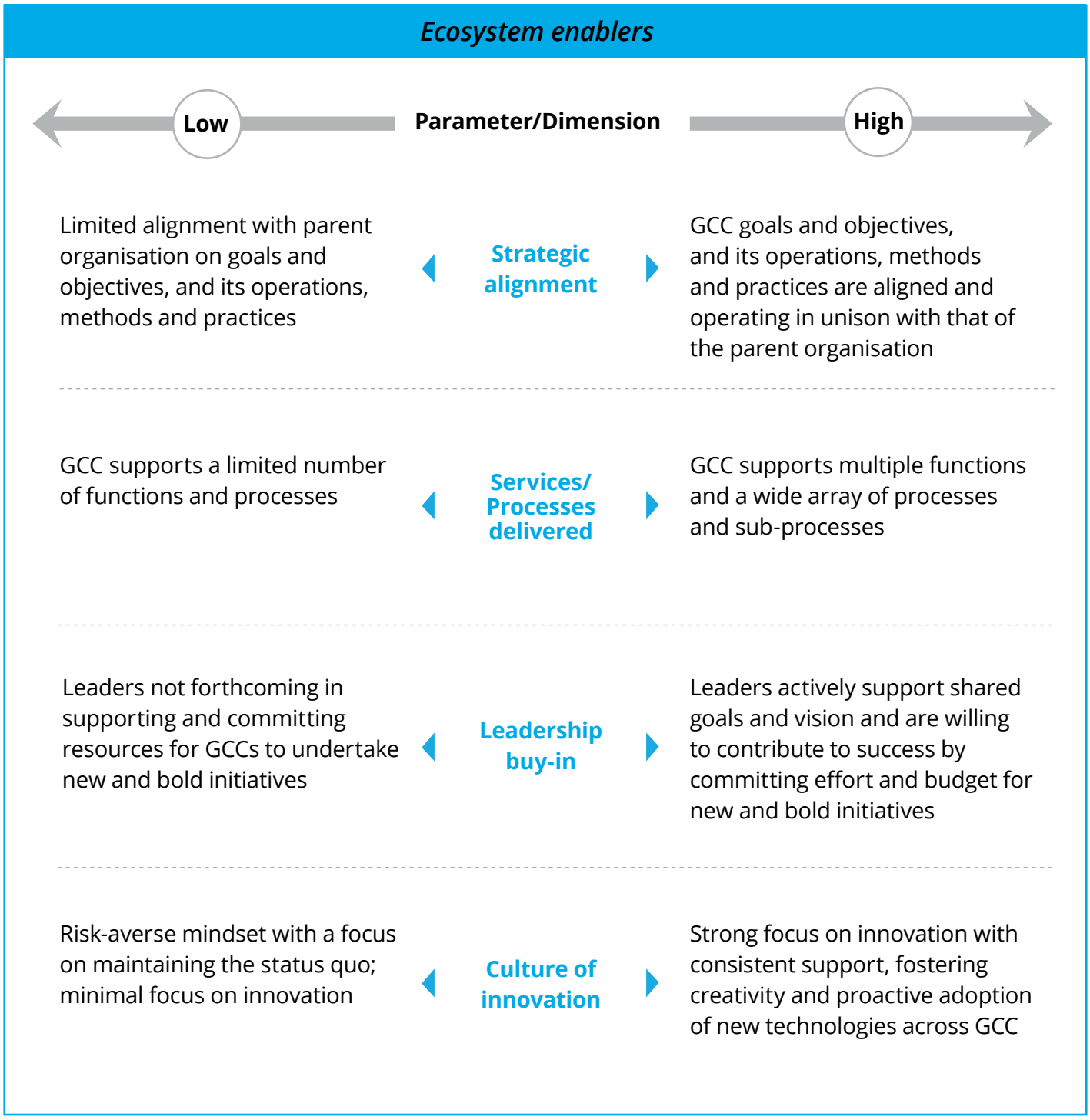



**Initiate groundwork:** The GCC is in a nascent stage and should work towards building the ecosystem enablers and capabilities to deliver GenAI initiatives. It must start by aligning with the parent on how its contributions will enable it to achieve the goals and objectives. GCCs must seek sponsorship from leaders and strive to build a pipeline for GenAI use cases. Based on the role alignment with the parent, GCCs must build/enhance capabilities to meet the desired objectives.

**Re-evaluate strategy:** While there could be capabilities to deliver on GenAI, re-engage with the parent and align on the strategy for the GCC in driving GenAI initiatives. The GCC should ensure clarity on how its initiatives will contribute to the overall goals of the parent organisation and seek leadership buy-in to ensure continuous demand for GenAI driven from the GCC. As the GCC has developed certain GenAI capabilities, it should reassess, reorganise and redeploy its capabilities in line with the strategy defined for the GCC.

2. **Re-evaluate strategy:** While there could be capabilities to deliver on GenAI, re-engage with the parent and align on the strategy for the GCC in driving GenAI initiatives. The GCC should ensure clarity on how its initiatives will contribute to the overall goals of the parent organisation and seek leadership buy-in to ensure continuous demand for GenAI driven from the GCC. As the GCC has developed certain GenAI capabilities, it should reassess, reorganise and redeploy its capabilities in line with the strategy defined for the GCC.

**Figure 2: Assessment criteria for parameters to evaluate GCC readiness**



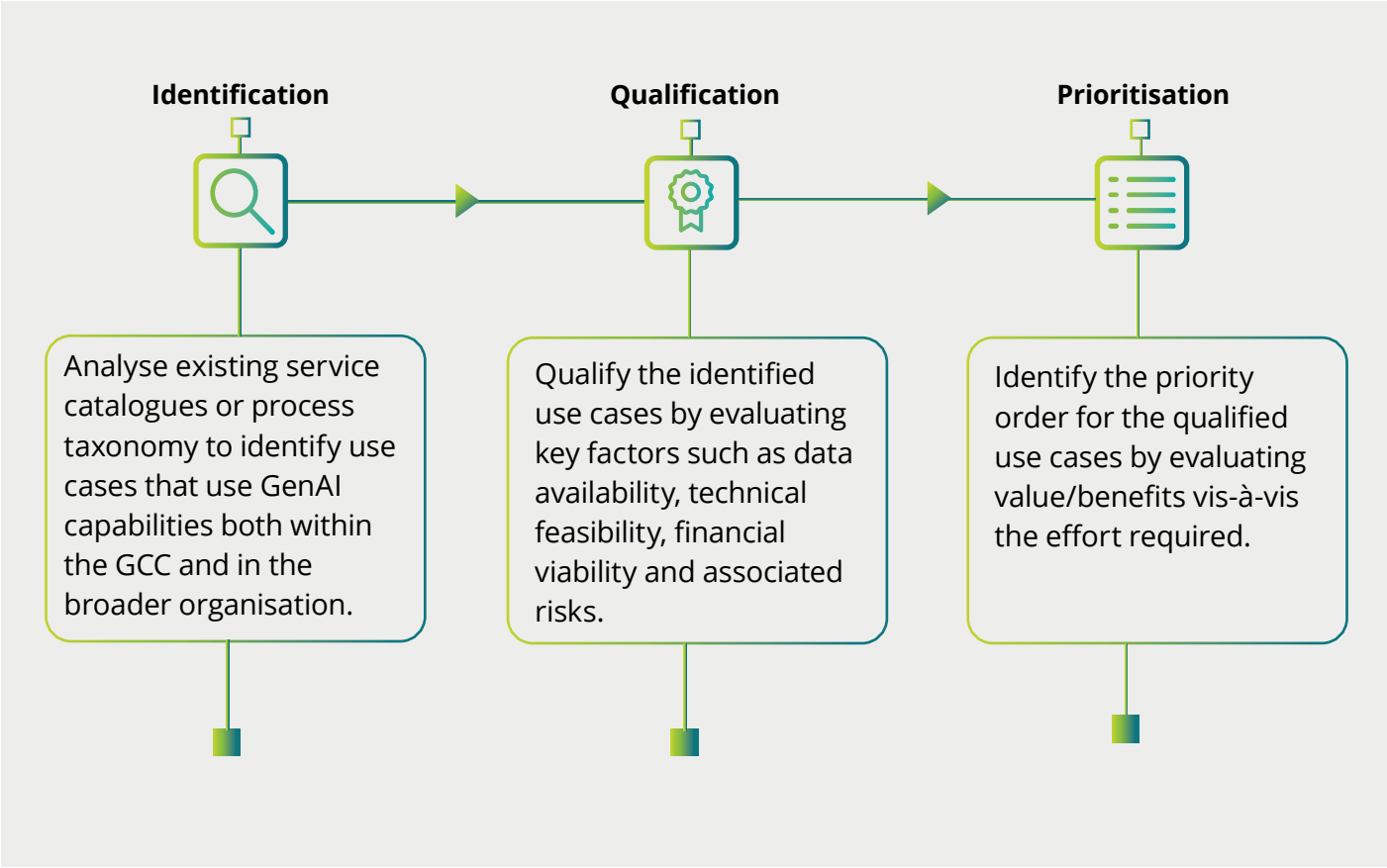
## *Capabilities*

| Low | Parameter/Dimension | High |
|---|---|---|
| Basic infrastructure is limited by computing power, storage capacity, AI frameworks and libraries, etc. | **Technology infrastructure** | Full stack infrastructure with greater levels of computing power and storage, and access to AI frameworks and libraries |
| Talent with skillsets in traditional tools and technologies; talent not geared for driving new and cutting-edge technologies | **Talent pool** | Availability of talent pool with proficiency in new and advanced technologies, including AI/ML, analytics and data science |
| Inconsistent data governance, limited data handling and poor data quality | **Data management capability** | Robust data governance, advanced data processing capabilities and high data quality |
| Ad-hoc change management with limited communication, training and employee engagement | **Change management and communications** | Proactive change management with effective communication, employee involvement and comprehensive training and support |
| Inadequate control and monitoring mechanisms to comply with data privacy regulations, relying only on basic data encryption and access controls | **Risk, compliance and security** | Actively enforced data regulation guidelines and controls with strong data encryption, access controls, network security measures, etc. |
| Vendor relationships with the ecosystem players are new, transactional and at a nascent stage; require significant effort to gain bargaining power | **Partnerships** | Vendor relationships are long-term, strategic and mature; hold considerable bargaining power |

After establishing the readiness levels of GCCs to adopt GenAI, the next step is to identify impactful use cases for implementation. The next section will explore the methodology for identifying and evaluating potential use cases.

# How can GCCs identify, qualify and prioritise use cases?

**GCCs should adopt a systematic approach to identifying, qualifying and prioritising GenAI use cases. This approach should be focused on achieving end-user adoption and ensuring alignment with business goals and feasibility for maximum impact.**




## Identification of use cases

As part of the first step, GCCs need to identify potential use cases that can significantly benefit from this technology by analysing existing service catalogues and process taxonomies and collaborating with process leads/owners. During this assessment, it is important to identify the end user and the benefits they realise. This process is guided by the following key questions, each aligned with different applications of GenAI:

**Is there any content being generated?**
Original text, images, music or other media created from scratch based on given parameters or prompts.

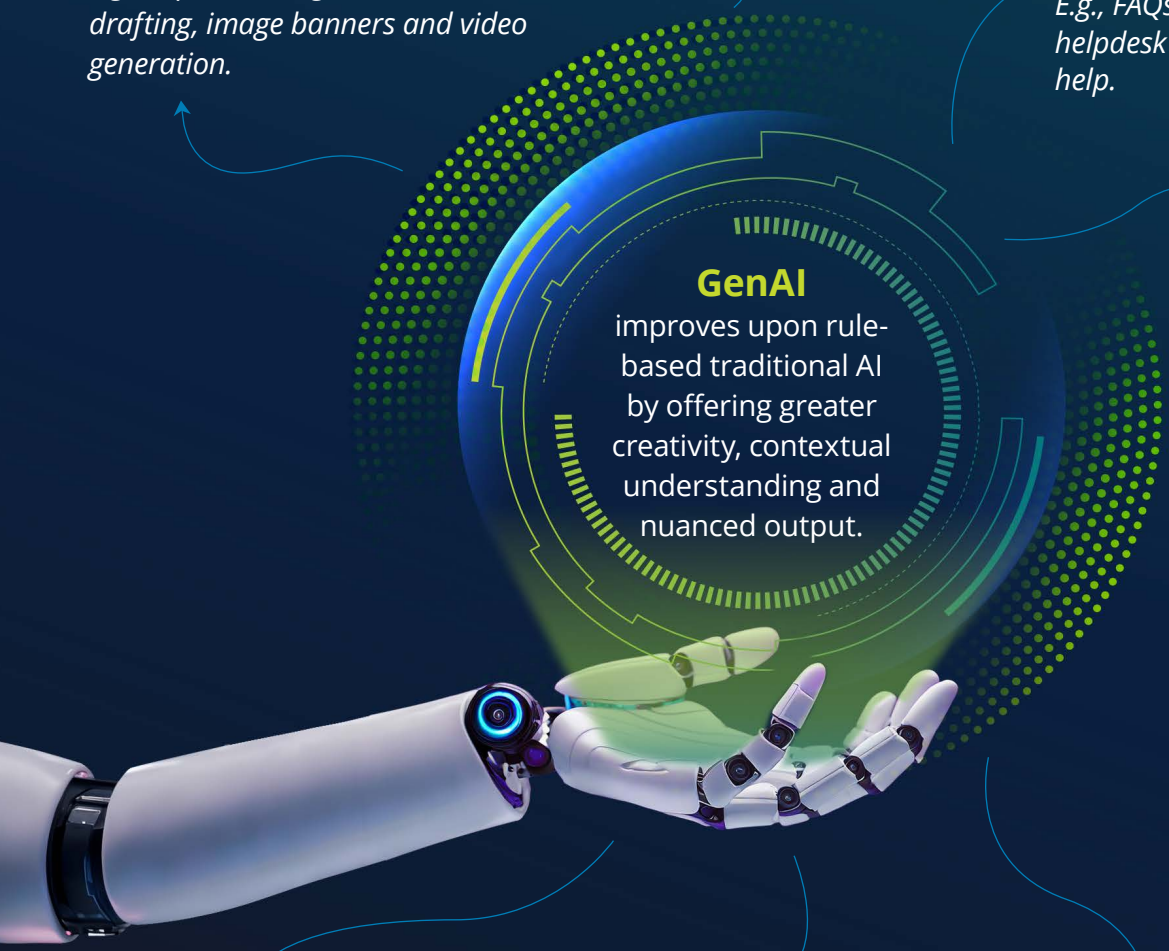
*E.g., Report writing, email drafting, image banners and video generation.*

**Is the content being summarised?**
Condense large volumes of text or data into concise and coherent summaries, highlighting the most critical information.

*E.g., Meeting minutes, workshop summary and document summary.*

**Are there any conversations involved?**
Engages in human-like dialogue, understanding and responding to queries and maintaining context over multiple interactions.

*E.g., FAQs, chatbots, internal helpdesk support and non-textual help.*




**Is the content being personalised?**
Tailor content, recommendations, or interactions to individual users based on their preferences, behaviours and needs.

*E.g., Personalised product recommendations, adaptive learning paths and tailored marketing content.*

**Is the content being translated?**
Convert text or speech from one language to another while maintaining the original meaning and context.

*E.g., French to English, English to Hindi.*

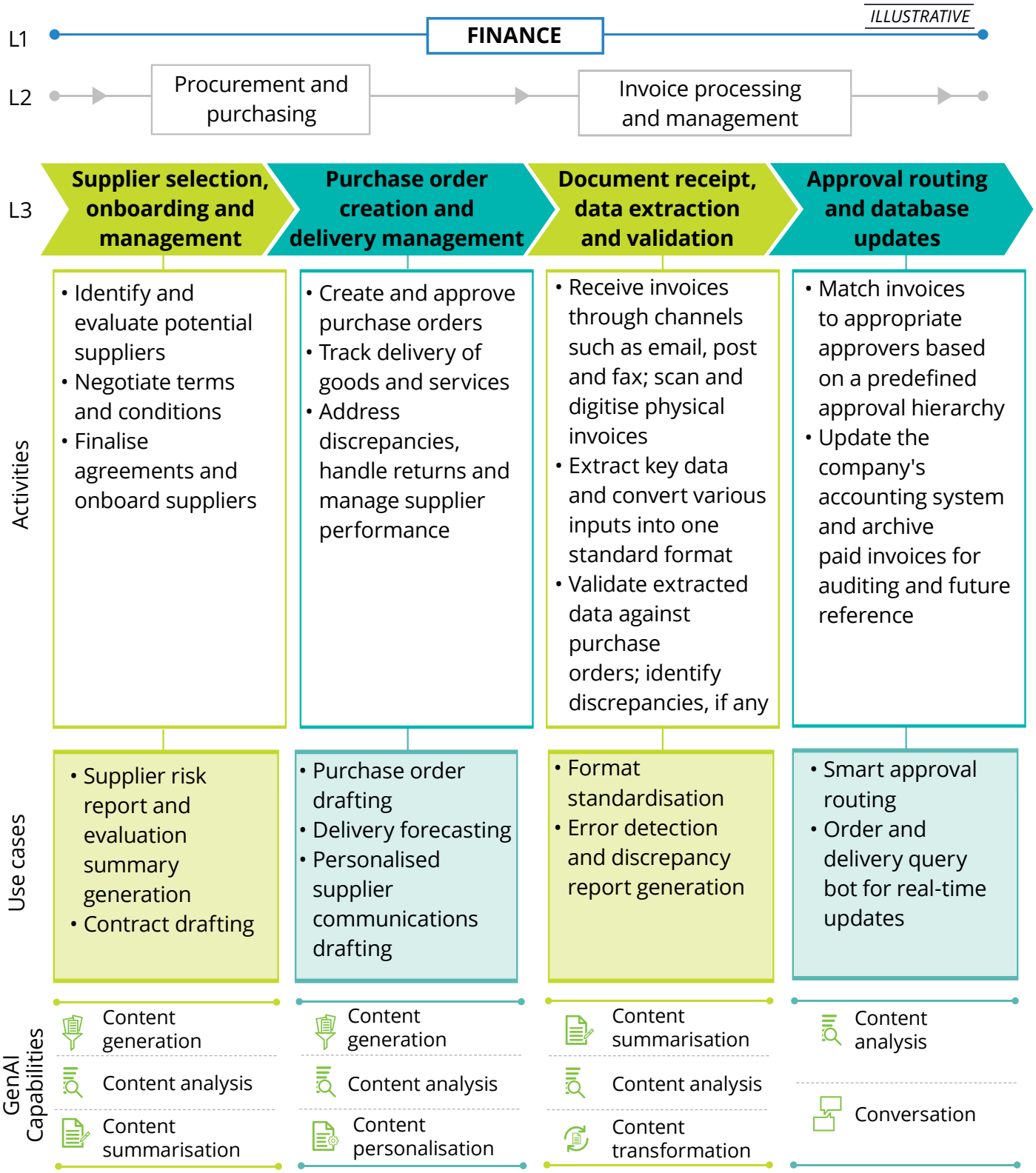
**Is the content being analysed?**
Examine and interpret data, text or other inputs to identify patterns, insights and actionable information.

*E.g., Forecasting (demand, supply, price), risk identification and feedback sentiment analysis.*

**Is the content being transformed?**
Convert existing content into different formats or styles.

*E.g., Text to code, style transfer and personalisation, text to table.*

**Figure 3: Methodology illustrating identification of use cases of two processes**

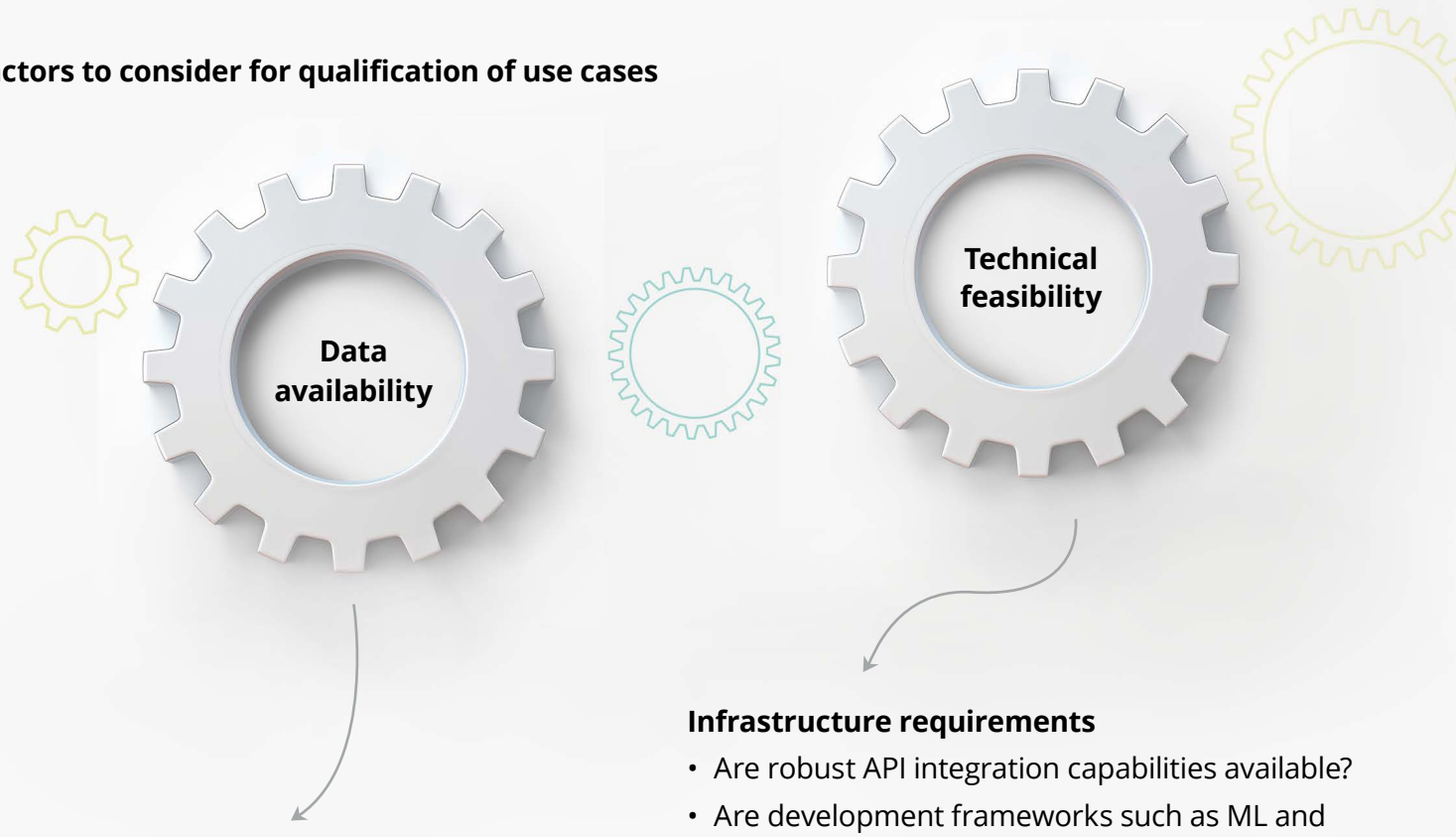



By replicating the use case identification approach across processes and functions within the organisation, a comprehensive list of potential use cases can be derived. This enables GCCs to systematically uncover and harness the full spectrum of opportunities presented by GenAI.

# Use case qualification

GCCs must next evaluate their list of identified use cases for GenAI to ensure they are feasible, valuable and aligned with organisational goals. The following considerations outline the key aspects necessary for an in-depth evaluation:

**Factors to consider for qualification of use cases**




**Requirement**
Does the use case require domain-specific data for training the model?

**Quantity**
Is data sufficient for model building? Are there significant gaps or any missing data points?

**Quality**
Is the data good enough for contextual understanding? Are multiple data sources available to enrich and diversify the dataset and remove bias?

**Infrastructure requirements**

- Are robust API integration capabilities available?
- Are development frameworks such as ML and NLP libraries available?
- Are other supporting hardware/software infrastructure available?

**Vendor availability**
Can use cases or clusters of use cases (with the same capability) be implemented using common vendors available in the market?

**Reusability**
Can the solution be reused or adapted for other use cases requiring similar capability?

**Validation**
Are evaluation metrics in place to ensure GenAI output accuracy and reliability? Is there a process for identifying and addressing biases and for comparing outputs to desired outcomes?


**Cost**

- What are the costs associated with infrastructure setup, maintenance, hiring and upskilling?
- What are the vendor partnerships, licensing fees, integration downtime costs and ongoing support costs?

**Benefits**

- What tangible and intangible benefits can be achieved, such as direct cost savings, operational efficiency and resource optimisation?
- How does it enhance quality, reduce errors/risks and improve overall performance?

**Privacy and security**
Are there data privacy or security concerns?

**Ethical concerns**
Could the use case trigger unethical responses?

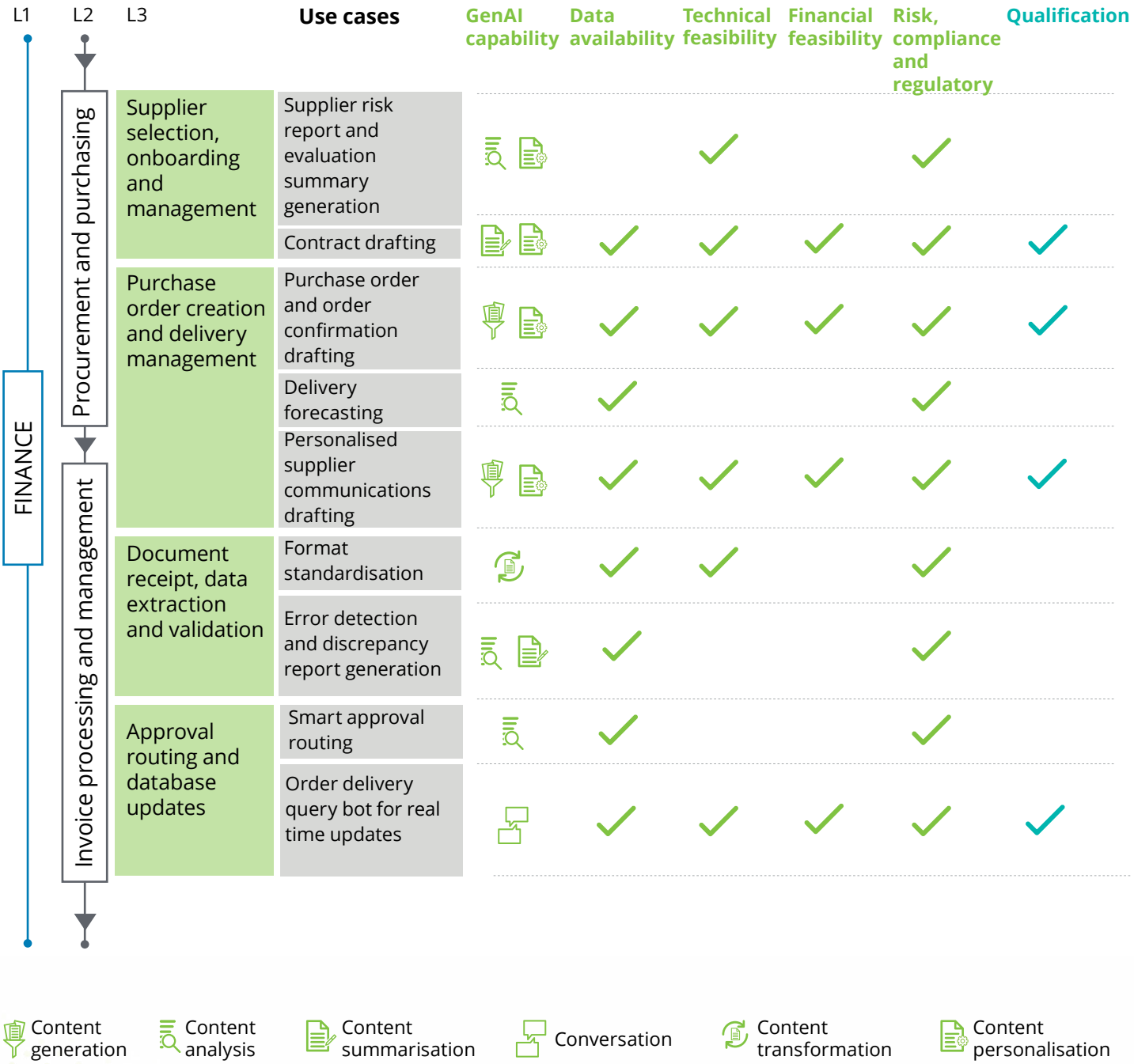
**Safety check**
Can biases, errors and hallucinations be corrected?

**Regulatory**
Are there regulatory requirements or compliance issues that must be addressed?

**Use case exposure**
Are the use cases being implemented for external customers with high exposure and risk compared with internal customers?

The application of the use case qualification framework is illustrated through two finance processes. This example demonstrates how use cases can be thoroughly vetted, ensuring only the most viable and impactful ones are selected for implementation.

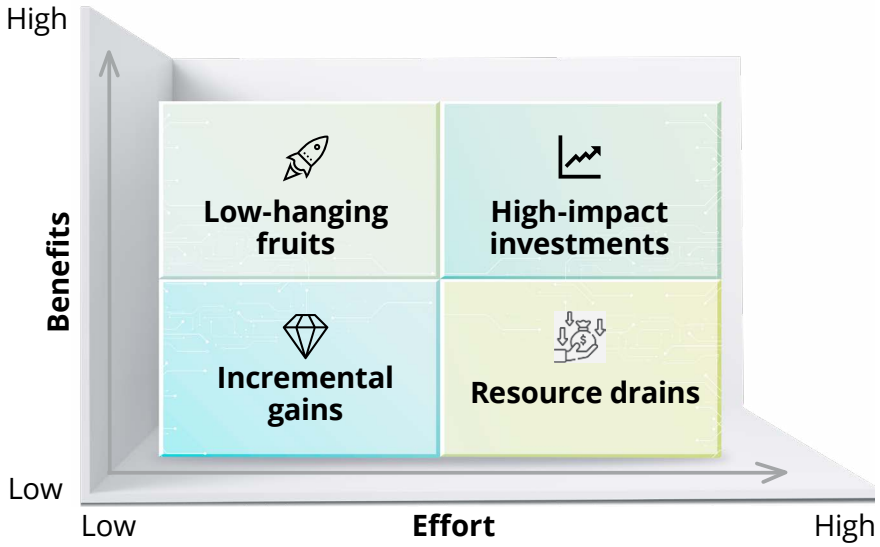
**Figure 4: Methodology illustrating qualification of use cases of two processes**




By performing these checks for each use case, a subset of qualified use cases can be derived. This serves as a foundation for further prioritisation, ensuring that only the most valuable and practical use cases are qualified.

# Prioritisation of use cases

After qualifying use cases, GCCs must prioritise them by evaluating the expected benefits and effort required. A framework provided below supports use case prioritisation across two dimensions: Benefits and effort.




***Benefits***

**Financial benefit:** The net financial benefit enabled through a business case considering key metrics, including run costs, Total Cost of Ownership (TCO) and payback period.

**Strategic alignment:** The extent to which the use case aligns with the organisation's strategic objectives.

**Scalability and reusability:** The ability of a solution to scale or use across multiple use cases (cross-functional potential).

**Non-financial benefit:** The benefits such as improvement in productivity, agility, customer satisfaction or employee experience.

***Effort***

**Time:** The time required to realise benefits.

**Talent:** Resources with multiple skillsets deployed across lifecycle.

**Budget:** Estimated budget, including development and run costs.

The four quadrants represent different scenarios for use cases based on their benefits and the effort required. **High-impact investments** offer substantial benefits with reasonable effort, **low-hanging fruits** provide significant benefits with minimal effort, **resource drains** require significant effort for limited benefits and **incremental gains** offer modest benefits with minimal effort. A "High" position indicates greater potential for positive impact and alignment.

**Figure 5: Methodology illustrating prioritisation of use cases of two processes**

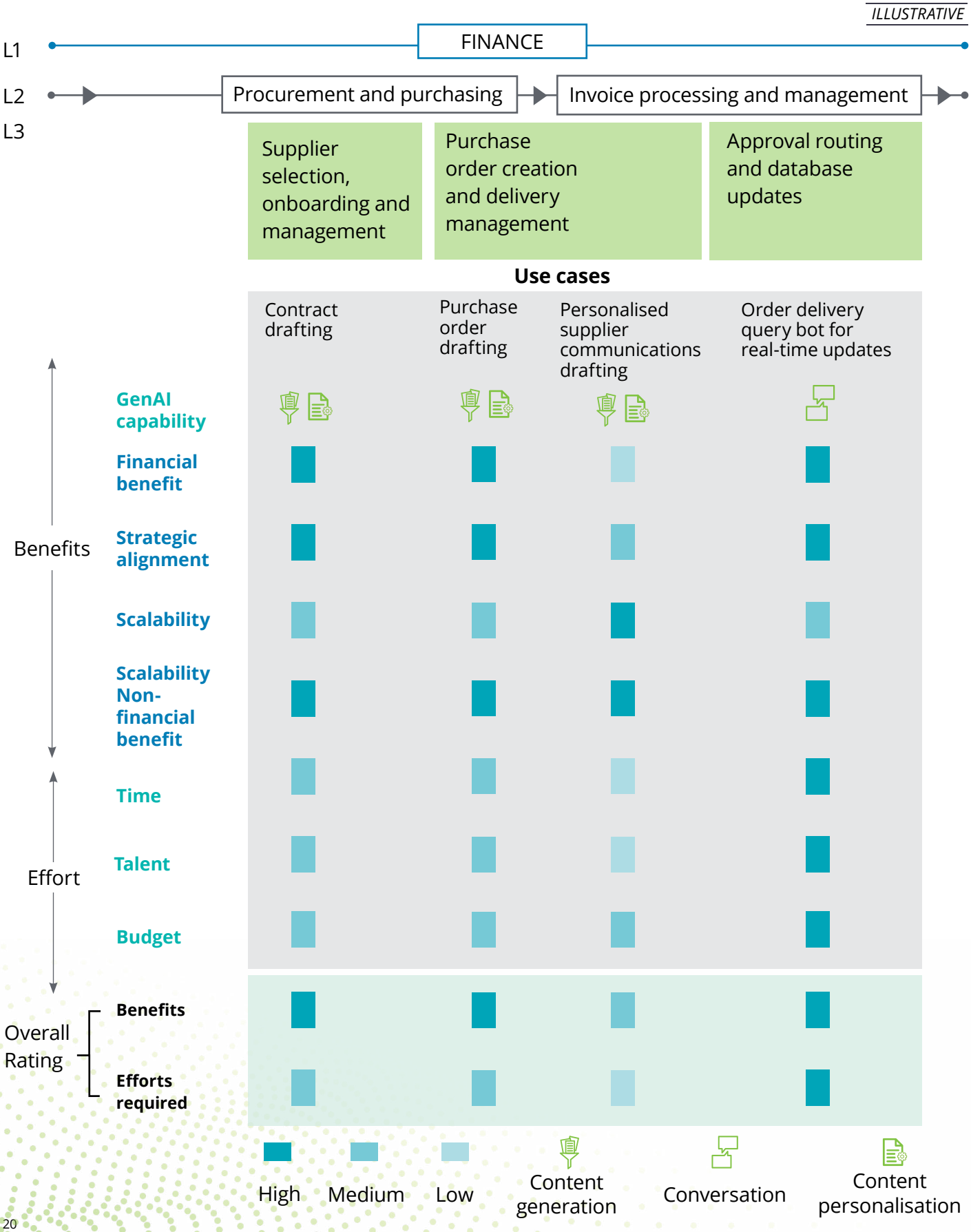
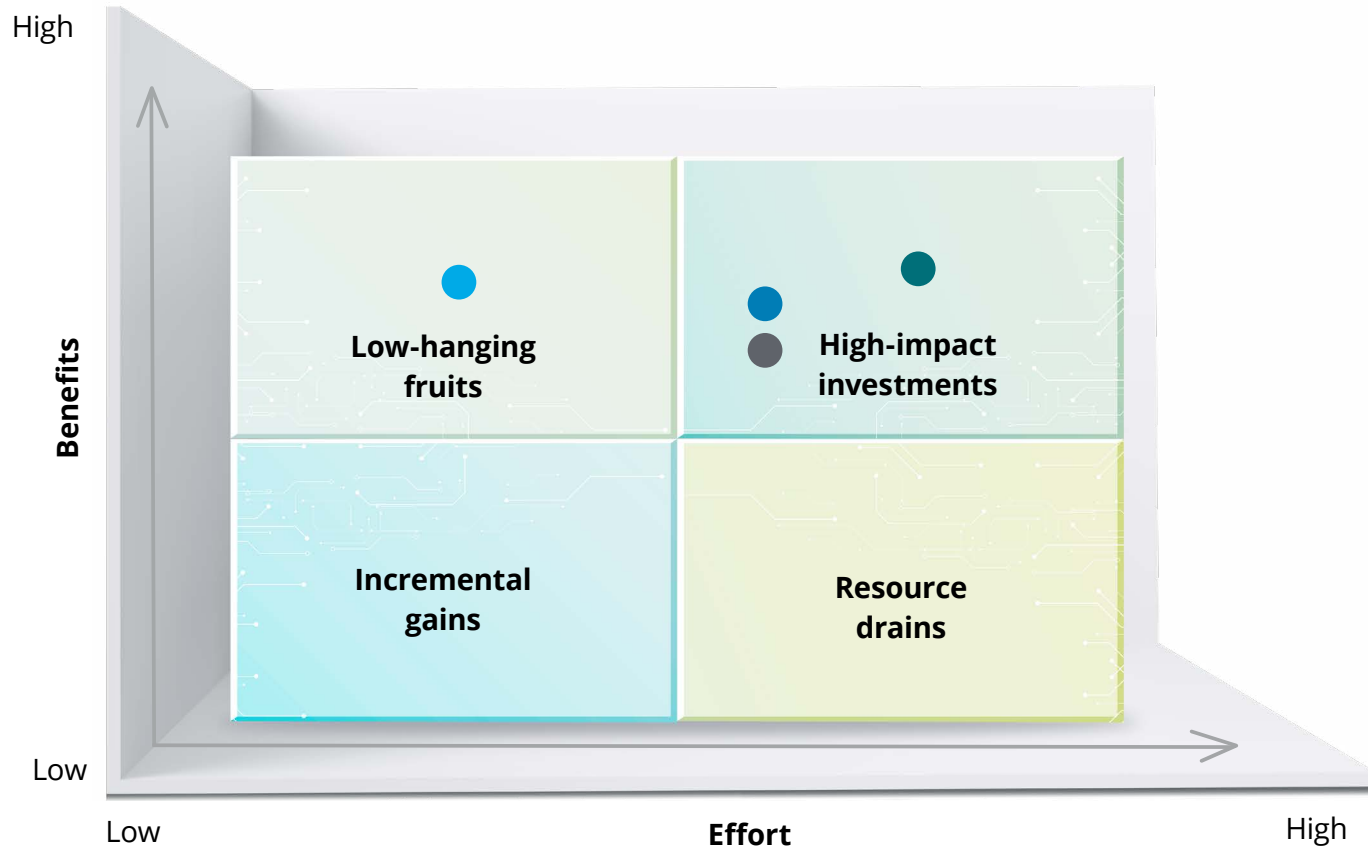


**Figure 6: Illustrative prioritisation matrix**




**Use case key**

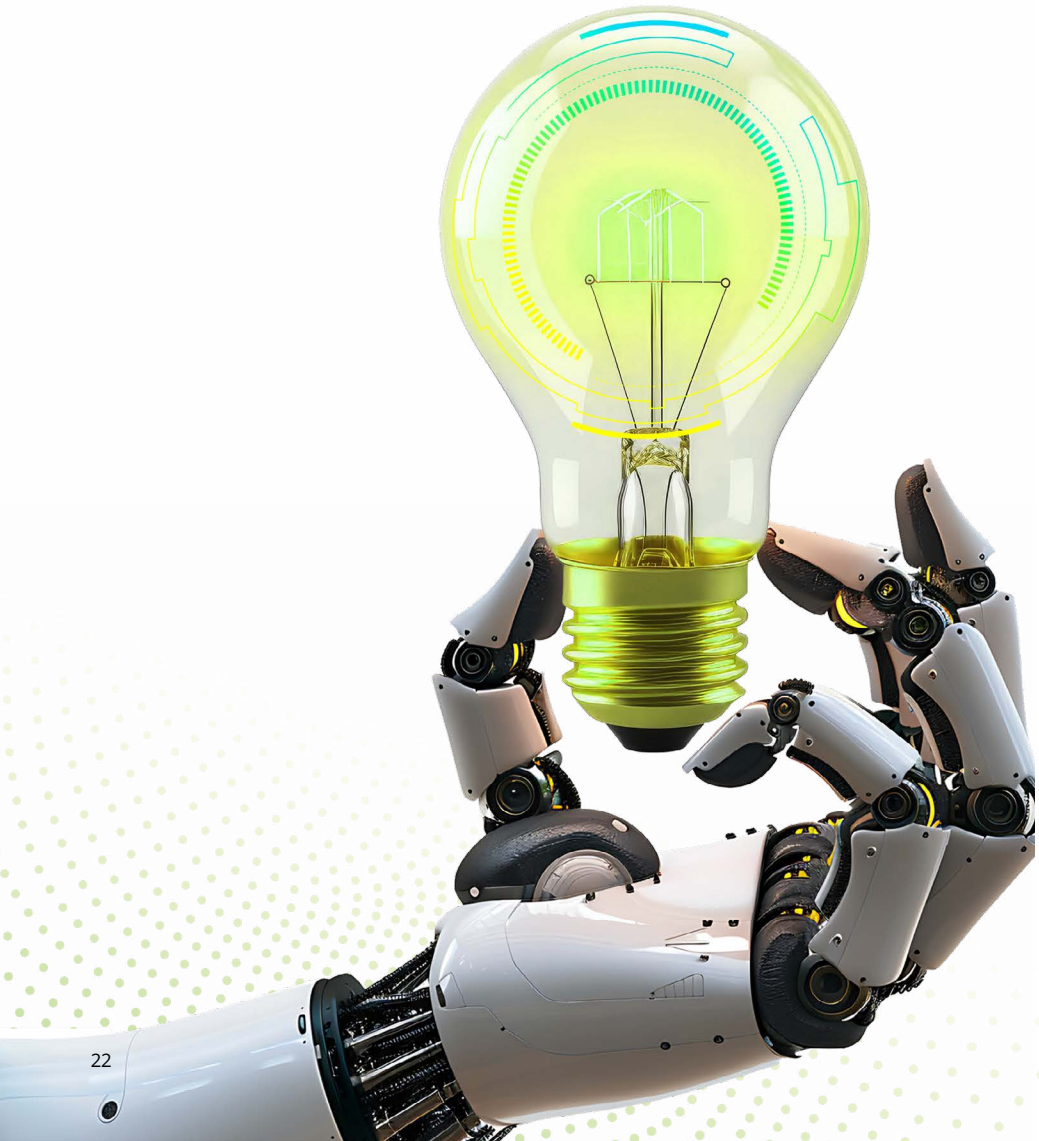
- Contract drafting
- Purchase order drafting
- Personalised supplier communications drafting
- Order and delivery query bot for real-time updates

Plotting use cases across the axes will help GCCs prioritise effectively. While low-hanging fruits are clear candidates for prioritisation, factors such as urgency, regulatory implications, strategic priorities and risk appetite could lead to selecting use cases in other quadrants. This approach ensures the most impactful and viable use cases are chosen, establishing a strong foundation for a successful implementation.

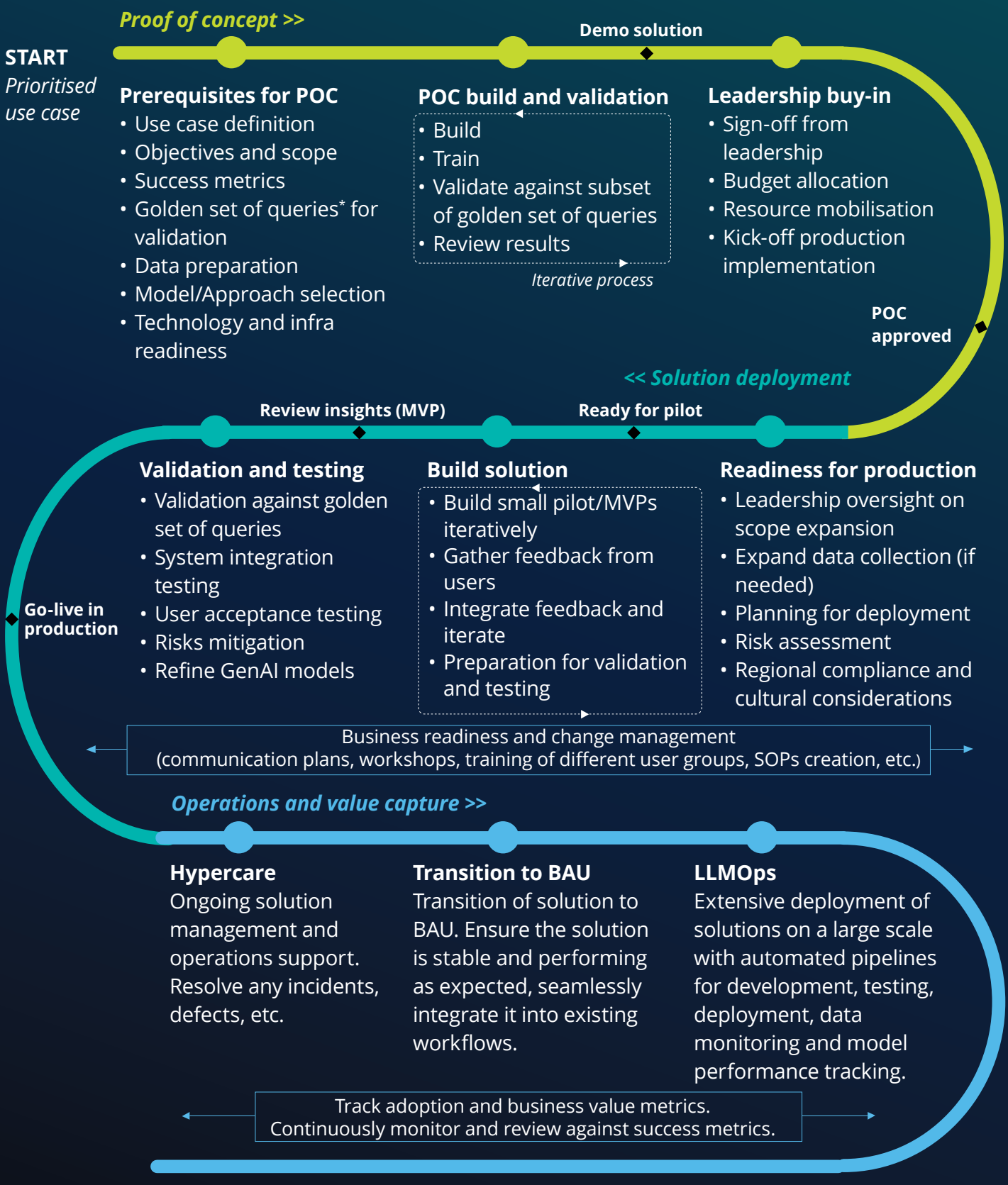
# How can GCCs implement GenAI use cases?

Building on the roadmap of prioritised use cases, the next step for GCCs is to implement the use cases. GCCs typically take the Proof of Concept (POC) route to validate specific concepts, assess feasibility and benefits and seek leadership approval for production deployment. However, the POC may be skipped if feasibility is proven or assumptions validated as part of previous deployments.

A POC is a small-scale project aimed at demonstrating the feasibility of GenAI, answering questions such as whether the technology can be successful and if it meets business needs. GCCs are well-positioned to conduct POCs for emerging technologies, including automation, AI/ML and analytics. Evolving into key innovation hubs, they use their extensive tech infrastructures and deep talent pools. The progression into GenAI naturally extends these capabilities, enhancing their technological prowess.



Below is a three-step process which GCC leaders may consider for the successful implementation of the GenAI solution




* A golden dataset of queries covering all scenarios should be created for testing. This should be exhaustive and production-grade ready. Golden dataset can be prepared using existing data, manually created data, or data generated from PoC or SIT/UAT testing.

# Ensuring readiness for successful deployment

To be considered successful, PoC and production deployments must meet the right goals and objectives. Thus, it is important to define success criteria—what questions to answer, what assumptions to validate, what measures to track and what outcomes to achieve.

Through PoCs, the GCC functional and business leaders should get clarity on the following to gain confidence to deploy in production:

- **Objective alignment:** How effectively does the GenAI solution address the specific problem or use case?
- **Feasibility:** Is the solution development and deployment feasible technically and financially?
- **Performance and accuracy:** Does the PoC meet the expected success metrics?
- **Stakeholder feedback and acceptance:** What has been the feedback of stakeholders and/or end-users? Has that been incorporated into the solution?
- **Scalability and integration assessment:** Are there any scalability or integration challenges identified that could potentially affect the solution in production?

The functional/process teams and users should evaluate the solution's success, assess associated risks and explore mitigation strategies. This may lead to late-stage development iterations that could potentially impact the scope, vendor requirements and the business case for the solution. After the deployment, validate the items below to ensure the deployment is successful and that the solution can be moved to hypercare/BAU.

- **Operational stability and performance:** Is the GenAI solution stable, and does it consistently perform as expected in the production environment under varying conditions?
- **Integration and workflow compatibility:** How seamlessly has the solution integrated into existing business processes and workflows, and what adjustments are needed, if any?
- **User adoption and training effectiveness:** Are users adequately trained and geared to adopt the new solution effectively, and what additional support or training might be required?
- **Continuous improvement and monitoring:** What mechanisms are in place for ongoing monitoring, issue resolution, feedback gathering and iterative improvements to ensure the solution remains effective and relevant?

Below are illustrative metrics that could be defined and assessed during the PoC/production deployment solution to assess the solution's quality, accuracy, risks, performance, user adoption and experience, and adherence to financial metrics/parameters.

**Figure 7: Key metrics for measuring success for GenAI**

## Technical

### Quantitative

- Factual accuracy
- Model performance
- Token count
- Latency
- Amount of fine-tuning needed

### Qualitative

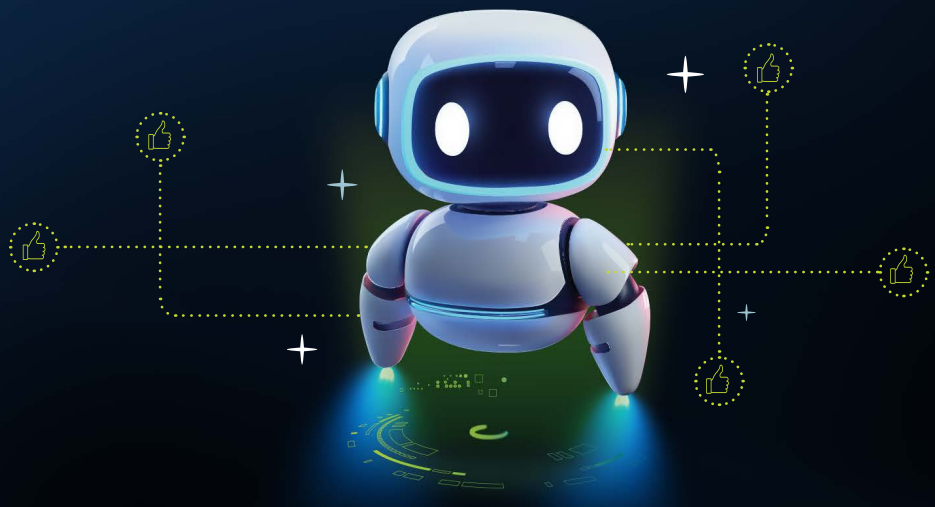
- Output quality – coherence, relevance, fluency, readability, diversity
- Responsible AI – bias and fairness, faithfulness, toxicity

## Business

- Return on Investment (ROI)
- Net Promoter Score (NPS)
- Customer satisfaction
- Employee impact
- Task completion and efficiency
- Business process efficiency gains
- Resource allocation
- Adoption rate
- Usage frequency
- User experience
- Abandonment rate
- Security monitoring
- Other use case-specific metrics (E.g., error rate and time to onboard for supplier selection and onboarding process)

## Risk

- Data privacy
- IP content defect rate
- Hateful and unfair content defect rate
- Obscene content defect rate
- Violent content defect rate
- Self-harm-related content defect rate
- Unethical response rate



# Achieving success in scaling GenAI solutions

The goal of any GenAI initiative extends beyond achieving success in the PoC phase; it aims to scale that success into full production, where the solution can provide sustainable value across the enterprise. However, the transition from PoC to production is often complex and challenging. According to Deloitte's survey of 2,700+ enterprise leaders, nearly 70 percent said their organisation has moved 30 percent or fewer of their GenAI PoCs to production.[6] Even when adoption occurs, it often remains uneven, with innovation confined to siloes in specific functions, such as IT, finance, HR, sales, marketing or business units —without appropriate enterprise-wide visibility or alignment.

**The following are commonly raised challenges or potential pitfalls for producing solutions and adoption thereafter.**

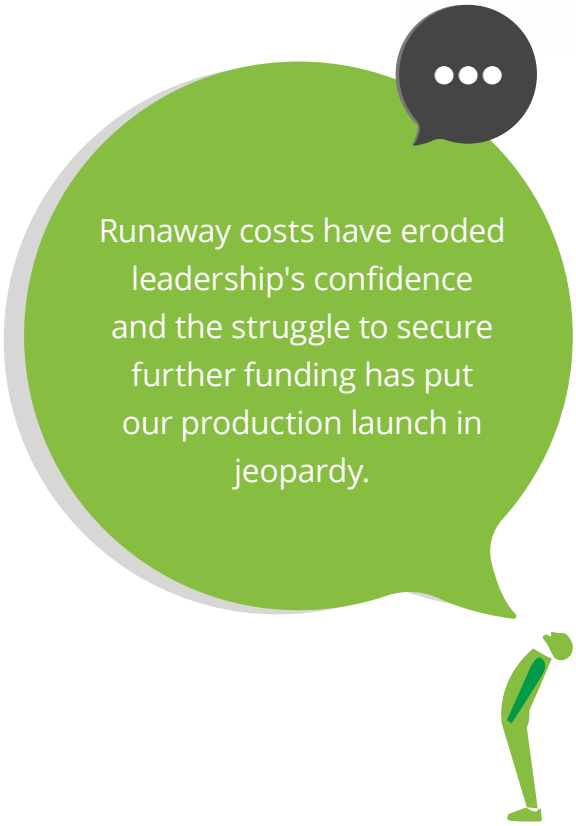

The controlled environment of PoCs often masks the challenges of real-world data. Production data is typically messier and more complex, potentially impacting the performance and reliability of GenAI solutions. To address these challenges, GCCs must hypothesize and plan for the below during use case selection and improvise along the way:

**Data diversity and quality:** Production environments require diverse, large-scale datasets. GCCs must incorporate data augmentation techniques (e.g., synthetic data generation), ensure data quality at scale (validation, cleaning, normalisation) and implement strategies for monitoring model performance, data quality metrics and data maintenance.

**Bias mitigation and security:** Identify and mitigate biases in training data and model outputs. Implement security measures to protect data throughout its lifecycle (storage, processing and transmission).

**Seamless integration:** Deploy integrated solutions with a clear understanding of legacy systems and workflows, API management and well-defined data mapping and integration layer to enable seamless GenAI integration and enhance system responsiveness.

[6] Now decides next: Moving from potential to performance", Deloitte's State of Generative AI in the Enterprise, Quarter three report, August 2024




While the PoC costs can be controlled, scaling introduces unanticipated expenses across the lifecycle due to the rapid pace of development in this space. To avoid these pitfalls, GCCs must maintain a sufficient budget for contingencies and adopt a proactive approach to cost management throughout the entire lifecycle of the project. This involves:

**Thorough cost estimation:** From the outset, meticulously factor in all potential expenses. This includes infrastructure costs, data acquisition and preparation, talent acquisition and training, model development and deployment, and ongoing maintenance and support.

**Continuous cost monitoring and reporting:** Establish a process to track actual costs against the budget throughout the project lifecycle. Regularly analyse expenditures to identify any deviations and address them promptly.

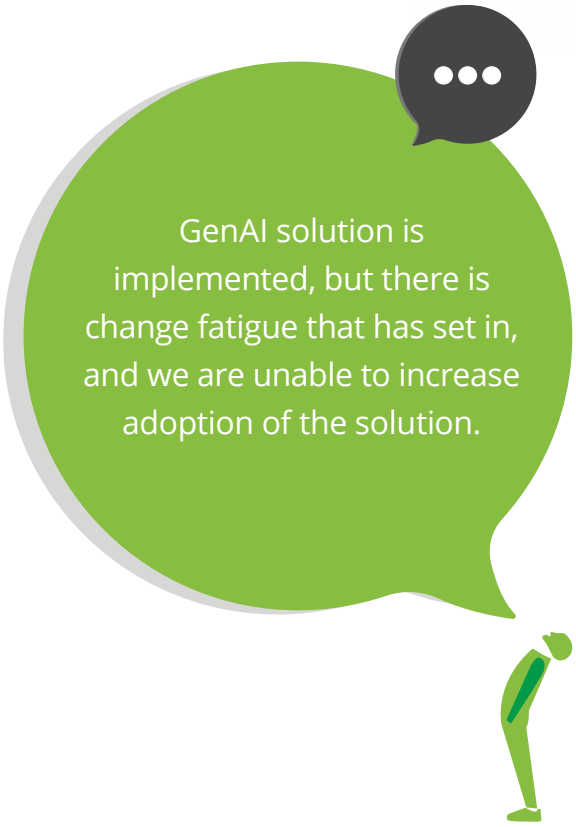
**Transparent communication with stakeholders:** Maintain open and honest communication with business stakeholders and leadership regarding project progress, challenges, KPIs, cost metrics and potential risks. This ensures alignment and continued support, even when facing cost escalations.

By proactively addressing cost management, fostering transparency and consistently demonstrating the value of the GenAI solution, GCC leaders can build trust, secure ongoing investment and successfully deliver solutions that drive meaningful business impact.


- Often individual functions get started on GenAI use cases by adopting tools and solutions meeting their specific need without considering the bigger picture. This causes a fragmented approach with teams using different technologies, data sets and processes. It could also be that the GCC has not formulated a unified vision or strategy resulting in a lack of coordination and alignment between teams.
- To ensure adequate oversight, GCCs should **establish a GenAI Centre of Excellence** responsible for developing a GCC-wide GenAI strategy, setting guidelines and policies, standardising tools and platforms to ensure interoperability and promoting best practices. The CoE should act as a central point of contact for all GenAI-related activities, fostering collaboration and knowledge sharing. It can also establish a governance framework that outlines roles, responsibilities and processes for GenAI development and deployment. The two most popular CoE models are as follows:
  - **Federated:** In this model, engineering and operations are decentralised to business units that own RoI and vendor relationships. The CoE centralises other functions (strategy, governance, training and support) and helps prioritise use cases. This model emphasizes business unit autonomy and responsiveness, while the CoE ensures consistency and avoids duplication of effort in core areas.
  - **Centralised:** In this model, the CoE owns and manages GenAI activities, including engineering, operations, vendor relationships and RoI. It focuses on control, standardisation and efficient resource utilisation.

These models are not mutually exclusive. Organisations can adopt a hybrid approach, combining elements of both models to suit their specific requirements.

By addressing these challenges, GCCs can break down silos, foster collaboration and knowledge sharing, and maximise the benefits of GenAI across the organisation.




GCCs often engage in multiple transformative initiatives simultaneously, which can lead to the issue of "too much too fast." Therefore, it is crucial for GCCs to evaluate the extent of change they are currently experiencing. They should implement new initiatives gradually, rather than introducing them all at once, to ensure that their employees are not overwhelmed.

Adoption is a challenge when employees do not have clarity on the value proposition of GenAI. It could also be due to concerns about job security or insufficient training and enablement. Inadequate communication about the GenAI solution's purpose, benefits and how it impacts roles can breed uncertainty and resistance. Hence, there is a need to undertake a comprehensive change management exercise to drive adoption:

- **Demonstrate value:** Articulate how GenAI makes employees' jobs easier, improves efficiency and enhances their skills. Highlight success stories and use cases relevant to their roles.
- **Prioritise training and support:** Provide comprehensive training with hands-on exercises and SOPs/user guides and establish a support system to address questions and challenges.
- **Address job security concerns:** Openly communicate that GenAI is meant to augment, not replace, human roles. Emphasize how it creates new opportunities and skill development.
- **Maintain open communication:** Establish clear communication channels to keep employees informed about the GenAI implementation, address concerns and gather feedback throughout the process.
- **Incentivise adoption:** Consider incentives to encourage early adoption and recognise employees who actively use and champion GenAI tools.

**Select GenAI case studies Deloitte has deployed in production for GCCs in India**

## Data analysis and insight generation for a British multinational FMCG company

### Context

- Requirement for **accurate and timely insights** from extensive sales data.
- A **GenAI solution integrated into an insights module** was required to monitor the financial KPIs of the ice cream business.

### Solution

- Used **GPT-4 32k LLM** for **computational analysis, data insights, report generation** and **automatic chart creation** (bar charts, pie charts, line charts).
- Provided backend computation code, **enabling output validation** for accurate computations.
- Incorporated a **feedback mechanism** with user icons for "like", "dislike" and "regenerate" to refine insights and outputs.

### Outcomes

- Provided **conversational responses,** allowing users to talk to the underlying data and insights.
- Enhanced operational efficiency by handling **routine calculations** and **data summarisations.**
- Accelerated decision-making by quickly **analysing facts** and **augmenting them with textual insights.**
- Improved the accuracy and reliability of insights through **backend computation code validation.**

## Image generation for a leading American pharmaceutical company

### Context

**Significant expenditure** to third-party media companies in producing marketing content.

- Needed a **cost-effective marketing content generation tool** for time-constrained requirements.

### Solution

- Utilised **AWS Bedrock** and **Stable Diffusion XL.**
- Employed **context-specific prompts** to enhance the quality and relevance of generated images.
- Used **purpose-built frameworks** to streamline application development utilising generative models.

### Outcomes

- Enhancements in the **time and cost efficiency** of the creative team and **reduced reliance on third-party** media companies, making the process more self-sufficient.
- **Cost reduction** through the strategic repurposing of existing images for new campaigns.
- **Substantial ROI growth** through timely development of relevant campaigns.

To enable GCCs in India, Deloitte has partnered with Yotta Data Services[7] to propel GenAI innovation in India. The partnership combines Deloitte's expertise and talent pool with Yotta's GPU cloud platform to facilitate the rapid creation of new AI applications. Yotta's sovereign cloud infrastructure ensures that data generated and processed by Indian GCCs remains within the country's borders thereby addressing the critical data security and compliance concerns. This will empower GCCs to harness AI services and infrastructure effectively and allow them to develop and deploy AI applications more quickly and efficiently.

[7] Deloitte collaborates with Yotta Data Services to help clients develop innovative Generative AI applications," 17 April 2024

# The emergence of AI agents and multi-agents[8]

While helpful, the current generation of AI is mostly limited to responding to individual prompts in a transactional manner. Imagine an AI that functions more like a skilled collaborator, capable of understanding complex needs, planning workflows and autonomously executing tasks by using data and tools. This is the potential of AI agents.

Unlike traditional LLMs, AI agents are reasoning engines that can understand context, plan workflows, connect to external tools and data and execute actions to achieve a defined goal. They overcome the limitations of LLMs by handling multi-step prompts, reasoning over sequences and remembering past interactions. This capability allows them to automate end-to-end processes, especially those requiring sophisticated reasoning and planning.

AI agents can reason and act on behalf of users, going beyond simple interactions. This opens new possibilities for driving productivity and automating complex tasks that traditional AI could not handle. This marks a significant advancement in the human-AI partnership, enabling businesses to achieve new levels of efficiency and innovation.

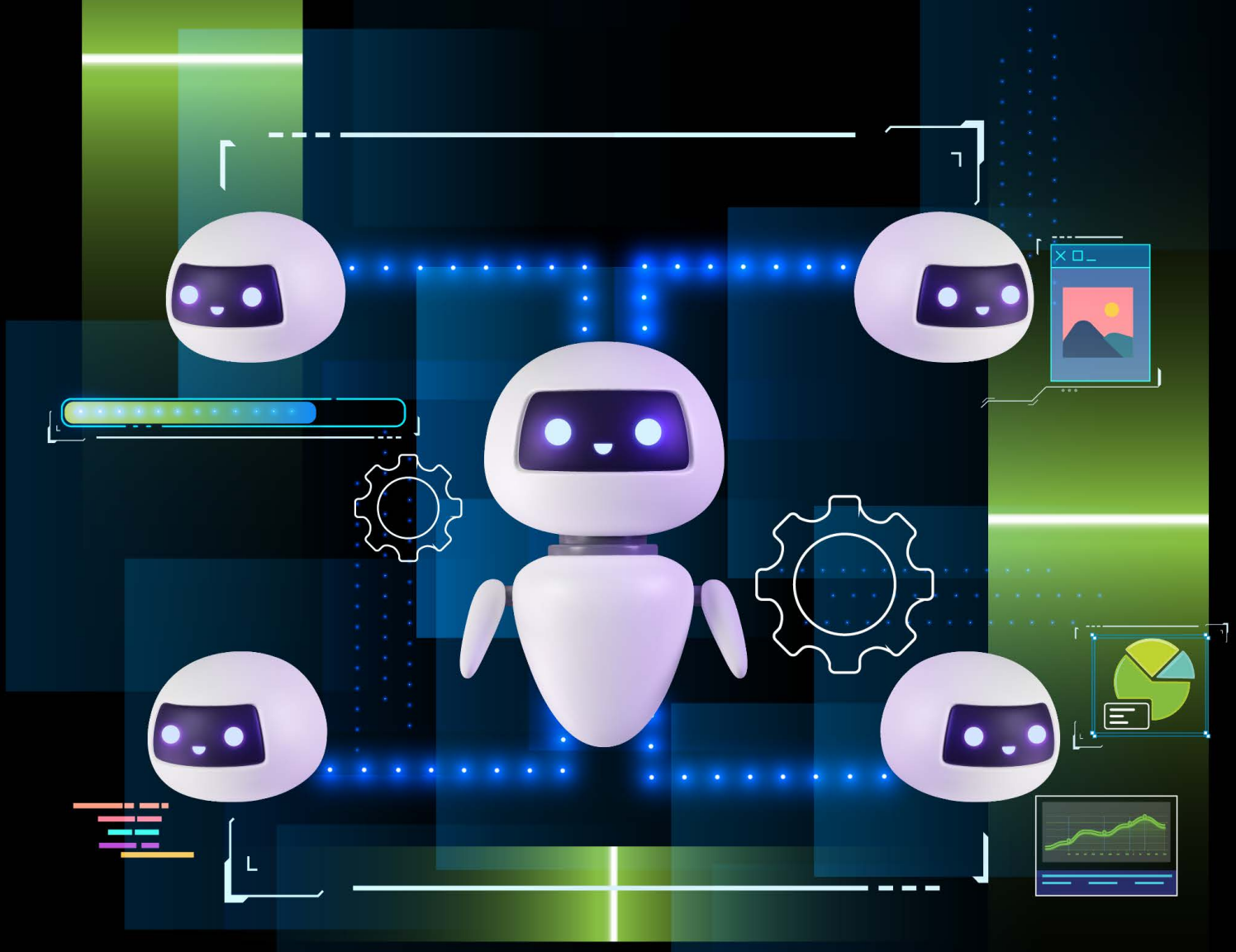
While individual AI agents can be helpful, the real significant change comes with multi-agent AI systems. These systems are like a team of specialised AI agents working together, each with its own unique role and expertise. This allows them to tackle complex tasks that would be difficult or impossible for a single agent to handle alone.

Imagine a team of AI agents working together to plan a marketing campaign. One agent might analyse market data, another might generate creative content and a third might manage social media engagements. By collaborating and sharing information, these agents can create a more effective and efficient campaign than any single agent could.

This "team approach" allows multi-agent systems to orchestrate complex workflows in a fraction of the time it would take humans. They can break down a complex process into smaller tasks, assign those tasks to the most suitable agents and ensure seamless collaboration between agents and humans. This results in faster, higher-quality and more trustworthy outcomes.

As GCCs constantly seek ways to enhance their service offerings and drive greater value for their parent organisations, the emerging concepts of AI agents and multi-agents present a compelling opportunity to achieve these goals.

[8] How AI agents are reshaping the future of work," Deloitte AI Institute, November 2024



# Key considerations for GCC leaders

Implementing GenAI or AI agents within GCCs requires addressing several critical considerations and risks. As the investment in AI technologies continues to surge, it becomes increasingly important for GCC leaders to navigate challenges associated with AI deployment.

## Solution trustworthiness

While leading the charge in driving GenAI adoption, GCCs must ensure trustworthiness in the solution developed. Deloitte's Trustworthy AI™ framework,[9,10] which involves embedding ethical safeguards across key dimensions throughout the AI lifecycle, can help GCCs ensure their AI deployments are compliant with regulations and trusted by stakeholders, driving sustainable value for their parent organisations.

[9] Trustworthy Artificial Intelligence (AI)™, Deloitte
[10] Trusted Generative AI, Deloitte

## Deloitte's Trustworthy AI™ Framework

### Trustworthy Generative AI™

Reskilling and Education

Governance and Controls

Regulatory Compliance and Policy

**Safe and secure**
***Invulnerable*** | ***User Protection*** | ***User Friendly***
The technology is protected from risks that may cause individual and/or collective physical, emotional, environmental and/or digital harm.

**Robust and reliable**
***Predictable*** | ***Consistent*** | ***Accurate*** | ***Adaptable***
The technology produces consistent and accurate outputs and recovers quickly from unforeseen disruptions and misuse.

**Accountable**
***Answerable*** | ***Resolvable*** | ***Ownership***
Policies are in place to determine who is responsible for the decisions made or derived from the use of technology.

**Responsible**
***Humane*** | ***Common and Social Good*** | ***Sustainability Focused*** | ***Value Adding***
The technology is created and operated in a socially responsible manner.

**Private**
***Autonomous*** | ***Confidential*** | ***Discretional*** | ***Consensual***
User privacy is respected, and data is not used or stored beyond its intended and stated use and duration; users are able to opt-in/out of sharing their data.

**Transparent and explainable**
***Justifiable*** | ***Interpretable*** | ***Auditable*** | ***Visible***
Users understand how technology is being used, particularly in making decisions; these decisions are easy to understand, auditable and open to inspection.

**Fair and impartial**
***Accessible*** | ***Equitable*** | ***Inclusive*** | ***Unbiased***
The technology is designed and operated inclusively with an aim for equitable application, access and outcomes.

# Other considerations

In addition to evaluating trustworthiness considerations, GCCs must factor in other crucial aspects, including operational, organisational and technological considerations. Addressing these dimensions ensures a holistic approach to implementing GenAI solutions, optimising their effectiveness and integration within the organisation:

## Operational excellence

**Continuous improvement**

The GenAI landscape is rapidly evolving. GCCs need to establish processes for continuous improvement and updating of AI systems to stay relevant and effective.

**Process reengineering**

Integrating AI into existing processes often requires significant reengineering of business processes. This can be complex and time-consuming, involving redesigning workflows to incorporate AI capabilities.

**Relationship management**

GenAI implementation requires a mix of product suppliers, service providers, business process consultants, regulatory experts and ethicists. GCCs must manage these relationships and ensure that vendors meet the specific needs and standards set out by the GCC.

## Organisation and governance

**Change management**

Integrating GenAI requires significant organisational change. Employees need to be trained to work with new AI tools and there may be resistance to adopting modern technologies due to complexity.

**Skills gap**

There is often a lack of skilled personnel with expertise in AI/ML. GCCs need to invest in training and development or hiring specialised talent, which can be expensive and time-consuming.

**Roadmap and governance**

A clear strategic roadmap (including investment priorities) and robust governance are essential for successful GenAI implementation. Without these, organisations risk misallocating resources and missing valuable opportunities.

## Data and tech infrastructure

**Data quality and management**

Effective GenAI requires large volumes of high-quality data. As GCCs often handle data from various sources, it is crucial to ensure that the data is clean, relevant and properly managed.

**Integration with existing systems**

GCCs must ensure that AI systems seamlessly integrate with legacy software and hardware without causing disruptions.

**Scalability and performance**

GenAI models are computationally intensive. Ensuring that IT infrastructure can scale to support the necessary computational load without performance bottlenecks is vital.

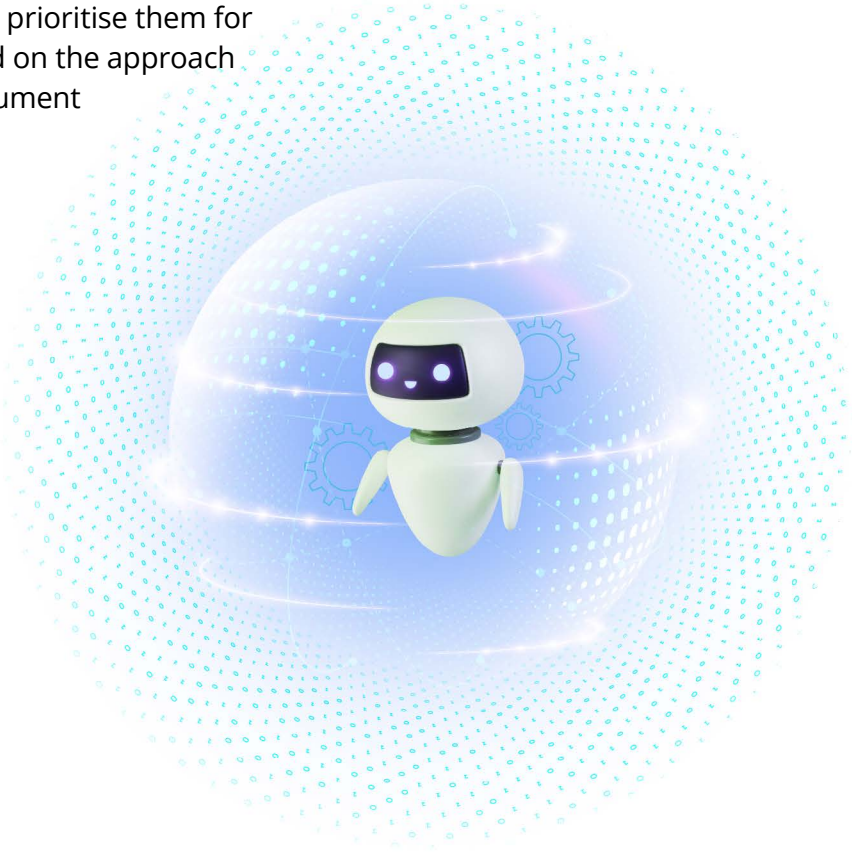
# Conclusion

The integration of GenAI into GCCs is not just an opportunity but a strategic imperative. By embracing this transformative technology, GCCs can redefine their roles, enhance their value proposition and drive innovation across their parent organisations. GCCs' unique strengths, including their strategic alignment, tech-enabled ecosystems, data prowess, talent pools and culture of experimentation, position them as ideal hubs for piloting, scaling and realising GenAI's full potential.

To embark on this transformative journey, GCC leaders should:

- Prioritise the development of a comprehensive GenAI strategy aligning with the parent organisation's goals and objectives
- Assess current readiness and identify strengths and areas of improvement based on the Adoption Readiness Assessment Framework
- Identify use cases and prioritise them for implementation based on the approach elaborated in this document
- Establish robust partnerships with technology providers and AI experts
- Define metrics to track and measure the success and impact of GenAI implementations
- Define processes and controls to ensure responsible and ethical AI deployment while mitigating potential risks and challenges

While challenges such as data quality, integration complexities, skill gaps and ethical considerations exist, a proactive and strategic approach can mitigate these risks. By fostering a culture of continuous learning, collaboration and responsible AI deployment, GCCs can navigate these challenges and emerge as leaders in the AI-driven future. The time to act is **now.** GCCs that seize this opportunity will not only enhance their own capabilities but also play a pivotal role in shaping the future of their parent organisation and the global business landscape.



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