Capstone Project: Designing & Optimizing a 300-FTE Global Capability Center Cost Model

1️⃣ Project Objective

To design a 300-FTE GCC cost model for India that balances cost, risk, and capability. Students/executives will build financial models, evaluate Tier-1 vs Tier-2 city strategies, simulate productivity and attrition impacts, and present a business case with recommendations to leadership.

2️⃣ Learning Outcomes

By completing this project, learners will be able to:

✅ Break down GCC costs into detailed components (Talent, Real Estate, Cloud, Governance, etc.)

✅ Build Gross vs Net TCO models using Excel/Sheets

✅ Apply sensitivity analysis for attrition, compliance, and inflation scenarios

✅ Compare Tier-1 vs Tier-2 city models

✅ Prepare a professional report and executive presentation

3 Project Timeline (12 Weeks)

- Phase 1 – Orientation & Research (Week 1–2): Understand GCC landscape in India, study cost components, deliverable: research summary (2–3 pages).
- Phase 2 – Base Model Construction (Week 3–4): Build 300-FTE GCC cost breakdown in Excel, deliverable: base cost model + charts.
- Phase 3 – Net TCO & Incentives Analysis (Week 5): Apply –5% incentives, deliverable: Net TCO dashboard.
- Phase 4 – Location Comparison (Week 6–7): Create models for Tier-1 vs Tier-2, deliverable: comparative analysis report.
- Phase 5 – Productivity & Attrition Simulation (Week 8–9): Model 10–15% productivity uplift and 10% attrition, deliverable: scenario dashboard.
- Phase 6 – Risk & Sensitivity Workshop (Week 10): Run 'what-if' scenarios, deliverable: risk assessment matrix.
- Phase 7 – Final Business Case Development (Week 11): Synthesize findings into 5–10 page report with recommendations.
- Phase 8 – Presentation & Submission (Week 12): Present findings in a 10-slide executive deck.

4 Problem Statement

Your company is planning a 300-FTE GCC in India with a $30M gross budget. As part of the GCC program office, you must:

1) Build a detailed Year-2 Run-Rate Cost Model
2) Apply incentives (−5%) to calculate Net TCO
3) Compare Bengaluru (Tier-1) vs Kochi (Tier-2) setups
4) Simulate productivity uplift (10–15%) and attrition risk (10%)
5) Prepare a business case & recommendations for the board

5 Data & Assumptions

Cost Structure:

- Talent: 62% ($18.6M)
- Real Estate: 11% ($3.3M)
- Tech/Cloud: 12% ($3.6M)
- Transition/KT: 4% ($1.2M)
- Governance: 6% ($1.8M)
- Vendors: 3% ($0.9M)
- Contingency: 2% ($0.6M)
- Incentives: −5% (−$1.5M)

Scenarios:

- Tier-1 (Bengaluru): +15% salary inflation, higher attrition
- Tier-2 (Kochi): −10% talent cost, −20% real estate, but 5% productivity penalty

6 Key Tasks & Deliverables

- Task 1: Base Cost Model – Build Excel sheet, deliverable: Pie chart & bar chart.
- Task 2: Net TCO Analysis – Apply incentives, deliverable: Net TCO dashboard.
- Task 3: Location Feasibility – Compare Tier-1 vs Tier-2, deliverable: 2-page report.
- Task 4: Sensitivity & Risk Modeling – Simulate attrition & compliance, deliverable: heatmap.
- Task 5: Productivity Impact – Apply automation gains, deliverable: improved cost analysis.
- Task 6: Final Business Case – Prepare 5–10 page report with recommendations.
- Task 7: Presentation – Create 10-slide board-level presentation.

7 Evaluation Rubric

- Accuracy of financial model & calculations – 25%
- Quality of comparative analysis (Tier-1 vs Tier-2) – 20%
- Depth of risk/sensitivity analysis – 20%
- Practicality of recommendations – 20%
- Clarity & professionalism of report/deck – 15%

8 Suggested Tools

Excel/Google Sheets, Power BI/Tableau (optional), Word/PPT

9 Expected Final Deliverables

- ✅ Excel Cost Model with base, net, city, and sensitivity sheets
- ✅ 5–10 page Word Report with executive summary & analysis
- ✅ 10-slide PPT deck with boardroom-level visuals