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Harness the winds of change

How to scale AI and build trust in insurance

A global study with insurance companies and their customers on the road ahead for AI

Foreword

The insurance industry is entering a new era. AI – and now agentic AI – are reshaping how companies run and connect with their customers, From underwriting and claims to customer engagement, insurers are delivering tangible results right now.

But while we see tremendous enthusiasm for further AI adoption, we also see companies struggle with barriers and the lack of a long-term vision for the technology.

What do these challenges tell us about what to do next? How many of these roadblocks are unique to AI? To help answer these complex questions and gain a wider view of the landscape, we ran a comprehensive evaluation of the untapped AI opportunities for the industry.

This study, a collaboration between Genpact and AWS, is the result. Two hundred senior executives around the world shared the mechanics of their AI strategies and where (and how) they see it shaping their businesses. But this study does more than report on the industry's view of AI: it evaluates consumers' opinions of AI in insurance, too.

Providers are moving with caution, using AI to focus on immediate productivity gains and cost savings. And consumers see the possibilities but are mostly neutral about AI's impact – so far. But with a blend of bold ideas and practical action, there's still vast room for growth. Especially with agentic AI's ability to augment work with autonomous decision-making.

There's much to explore. Use this report to better understand where you are on your AI journey and bring greater scale and customer trust to your business.

Adil Ilyas
Global Insurance Leader, Genpact

Bryan Davis
Director, US Financial Services, AWS Global Sales

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01

Executive summary

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Traditionally change-averse, the insurance sector is fast realizing that it needs to embrace AI to help navigate today's volatile landscape and align with customers' expectations for rapid service.

AI has a pivotal role to play in the insurance industry. It can drive growth with personalized, faster underwriting, streamlined workflows, and improved risk predictions. It can simplify claims processing while protecting insurers by better detecting fraud. AI can also create a seamless service experience by offering flexible, on-demand communication. And with better customer experiences comes greater trust.

Our study with 200 senior insurance executives finds that while most insurers and intermediaries have embraced AI, the extent of deployment understandably varies widely. Use the findings from this research and our companion study with 1,000 US insurance customers to better understand the opportunities and barriers and learn from those who are out in front. It will help you set a clear path forward so you can use AI to get ahead and stay ahead.

Key takeaways:

01

Most insurance companies are bullish on AI, but not all customers in the US have noticed an improvement in their digital experiences

Over two-thirds (69%) of insurance executives in our study say their companies have deployed AI in some capacity, with business units leading implementations for specific use cases. But most customers have yet to register visible benefits from the technology. Only 36% of customers in our companion study say they have seen an improvement in their digital experience with insurers and intermediaries in the past two years.

02

Most respondents working with AI see process efficiencies as the primary benefit, but the technology has the potential to deliver much more

Business areas focused on data or analytics, claims, IT, and customer support are first in line to experience the advantages of AI. Most executives (62%) expect AI to create a competitive advantage by bringing greater efficiency to high-volume tasks. Companies need to look beyond the low-hanging fruit of workflow productivity to gain the most from AI.

03

AI deployment jumps from one small use case to another and faces challenges

A range of problems blocks AI at scale from taking root in insurance companies. While most of these challenges, like poor data quality, might seem familiar, a few are unique to the technology itself.

04

Talent remains an essential ingredient for AI success

Insurance companies are training in-house talent to take on AI projects and achieve a minimum level of AI fluency. And to help keep up with the technology's rapid evolution, insurance companies are working with ecosystem partners to bulk up AI know-how.

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02

All in on AI: Proceeding with caution

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We see that most insurers and intermediaries have adopted AI in some capacity, peppered with a generous dose of caution. The questions that remain: How do they graduate from use cases to more transformative results? And what does our customer research show about whether AI translates to an improved customer experience?

Companies must balance innovation with navigating strict regulations and meeting customer trust expectations. This delicate mix of progress and prudence characterizes the industry's approach to AI.

Against such a backdrop, our research shows AI is:

- Widely adopted
- Use-case-led
- Fragmented

AI is widely adopted

Most insurance executives (69% globally and 77% in the US) say their companies have deployed the technology in some capacity. But 31% are still experimenting through pilots and proofs of concept without deployment (see figure 1).

Of course, AI adoption does not mean the same thing to all insurance companies. The pace and approach to adoption vary widely, driven by each company's willingness to innovate, readiness to adapt, and appetite for risk. For some, it means using vendor-provided AI plug-and-play tools to remain competitive, while others train proprietary models or establish innovation hubs and centers of excellence to scale AI capabilities. A few are even developing AI factories to create and deploy tailored solutions at scale across their organizations.

> AI isn't just a tool; it's a strategic partner in transforming the insurance industry. The organizations that lean into this will define the future. The sector's risk-averse nature, however, means the rollout of AI solutions is deliberate rather than disruptive, with companies testing initiatives in pockets before scaling up.

Adil Ilyas
Global Business Leader, Insurance
Genpact

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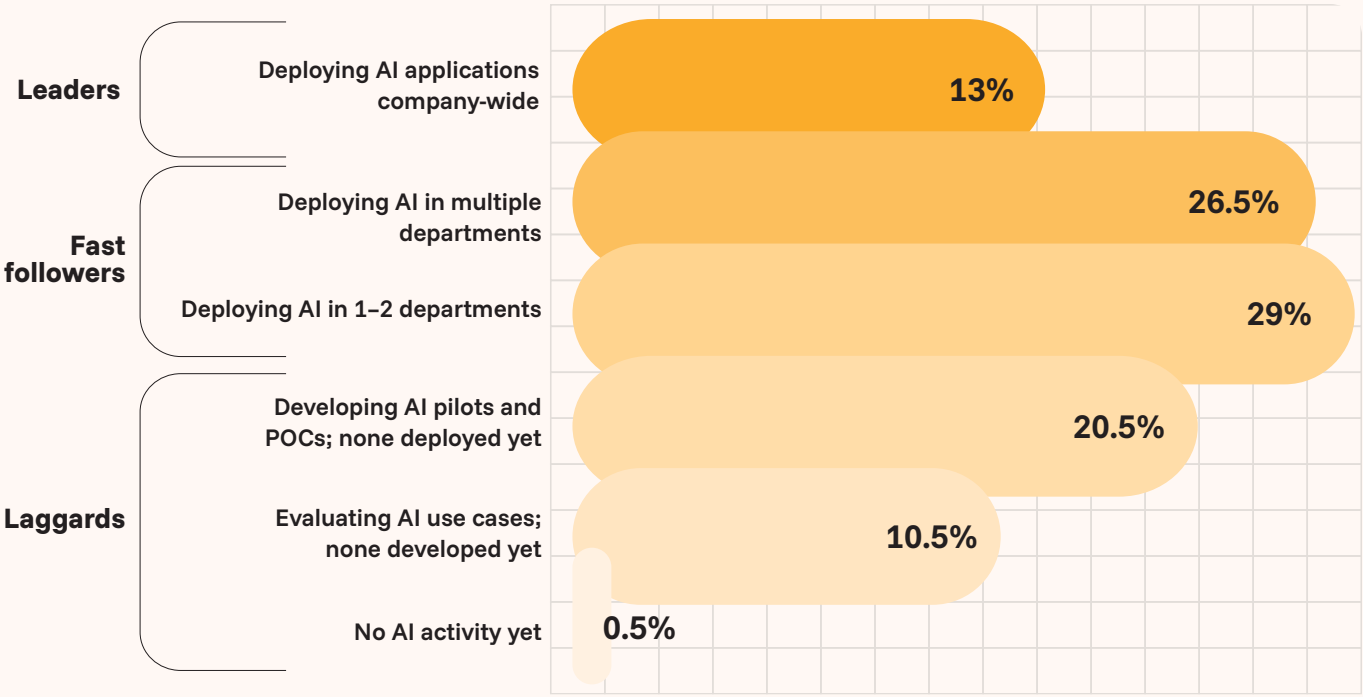
Figure 1: The state of AI adoption in insurance – leaders, fast followers, and laggards

To understand the state of AI adoption in insurance, we've identified three key groups among our respondents



Question for senior insurance executives:
What best describes your company's adoption or implementation of AI? N=199

Leaders
13%
These are the trailblazers with AI applications deployed company-wide and at scale to transform operations and secure a competitive edge.

Fast followers
55%
On the brink of broader adoption, these firms have AI applications deployed in select areas, one or two departments, or multiple parts of the company. They're focused on scaling up while tackling implementation challenges.

Laggards
32%
Still testing the waters, these companies are stuck at pilot development, proof of concept, or early evaluations, with a rare few (0.5%) yet to start.

These categories enable us to spot the shared characteristics and trends that all insurers and intermediaries can learn from.

AI deployment is use-case-led

Who is driving AI directives?

Understandably, those with their ears closest to the ground are making decisions about where and how to deploy AI. Business units identify and drive **85% of AI use cases** in insurance companies.

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While overall direction, budgets, and priorities are largely steered by senior leadership, business units are deciding which use cases to prioritize and how to implement AI effectively (see figure 2).

The traditional gap between IT teams and business units is narrowing. Forward-thinking leaders are dismantling silos and fostering collaboration using AI as a tool to redefine customer interactions and drive innovation.

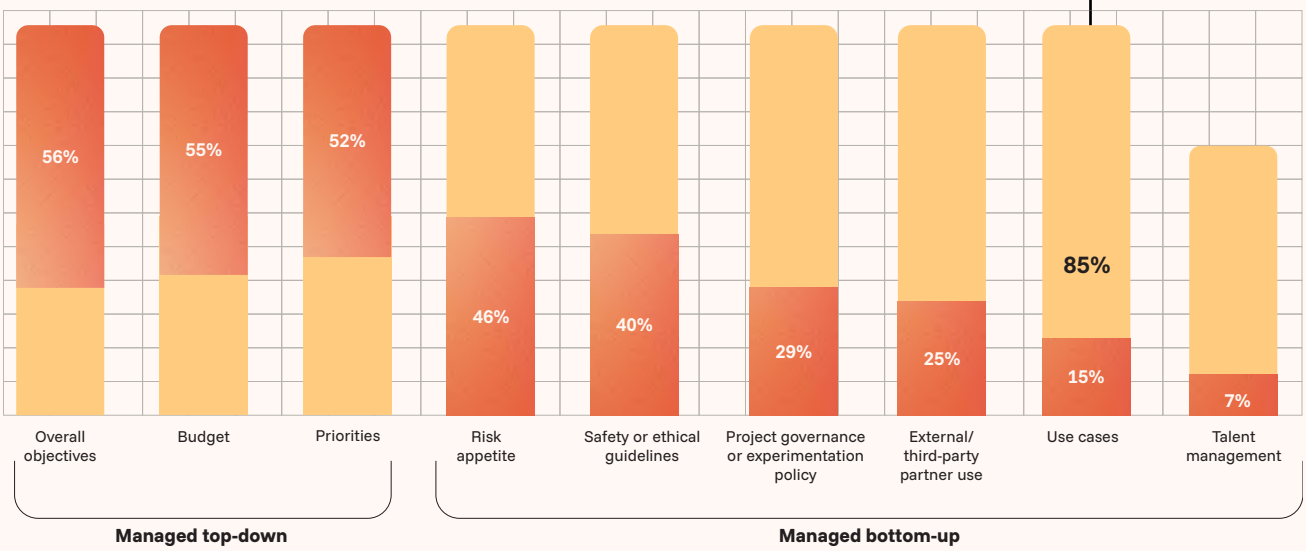
Insurers are seeding the technology in pockets, letting tangible use cases anchor their AI strategies in real-world impact.

AI deployment is fragmented

The "where" of AI deployment matters. We see disjointed implementation shaped by the autonomy of business units and geographic regions. This fragmentation not only impacts KPIs and governance – driven by diverse regulations and performance measures across locations – but also influences how and where insurance companies execute and scale their AI strategies, adding complexity to achieving cohesive, enterprise-wide impact.

85%
of AI use cases in insurance are driven by business units.

Figure 2: AI elements managed top-down vs. bottom-up



Question for senior insurance executives:
Which of the following elements of your AI approach is managed top-down? Select all that apply. N=199

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As insurers and intermediaries continue to cautiously deploy AI across specific functions, a new technology is emerging: agentic AI. Unlike traditional models that assist decision-making, agentic AI operates autonomously, learning and improving independently.

Has AI refined the customer experience?

Despite insurance companies embracing AI, only **36% of US customers** in our companion study report improvements in their digital experiences with insurers over the past two years. This may reflect the current limited scope of AI deployment, as insurance companies focus on operational efficiencies rather than customer-facing impacts.

This could be because AI adoption is heavily ring-fenced. Companies are not ready to let AI interact with customers and require human approval for any customer-facing decisions.

There's also a critical trust gap holding insurers back. Only half of customers (50%) trust insurers to provide accurate, personalized quotes (see figure 3). AI, when used responsibly, holds immense potential to help insurers close this gap with greater precision and speed. AI can revolutionize the user experience by boosting agent efficiency and delivering faster, more accurate outcomes in areas such as claims processing and risk modeling. This, in turn, directly enhances customer satisfaction and builds trust.

> Agentic AI marks a shift in how AI and humans work together – from support to active collaboration – but understandably, its adoption comes with caution. Risk leaders are right to be cautious about autonomy. Trust doesn't happen overnight. Forward-thinking leaders are bridging the gap by starting small and testing constrained agentic AI in low-risk areas. These careful first steps are setting the stage for a future where AI and humans truly co-execute with confidence.

Yasir Andrabi

Global Agentic Insurance Solutions Leader, Genpact

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Figure 3: Do customers trust insurance companies to deliver accurate coverage quotes?

Question for insurance customers:
Do you trust insurance companies to provide an accurate quote for your specific coverage needs? Select all that apply. N=1,000

The good news? Many customers are ready for this shift. **Nearly half (46%) of respondents say they're open to AI if it delivers tangible benefits**, like speeding up claims processing. Younger generations are especially drawn to AI-driven insurers, signaling a shift in customer preferences.

Millennials and Gen Z are more likely to choose AI-driven insurers, with 32% preferring AI for policy quotes, 28% for claims, and 28% for customer service – outpacing Gen X and boomers in each area.

The question for companies is no longer whether they've adopted AI – it's where, to what extent, for which applications, and how scalable it is. They must also ask whether AI can shift from driving productivity to transforming – or even reinventing – a business model. And, perhaps most importantly: Are they taking customers on this journey? Are they managing change, enhancing their experience, and enabling AI to deliver real, meaningful impact?

Don't miss our practical advice on how best to deploy and scale AI

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03

Power on beyond productivity

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Most insurance executives say higher operational efficiency is the main benefit of AI. But it has the potential to do much more. Insurers need to look beyond mere productivity gains to reimagine how AI can transform their businesses and drive meaningful impact.

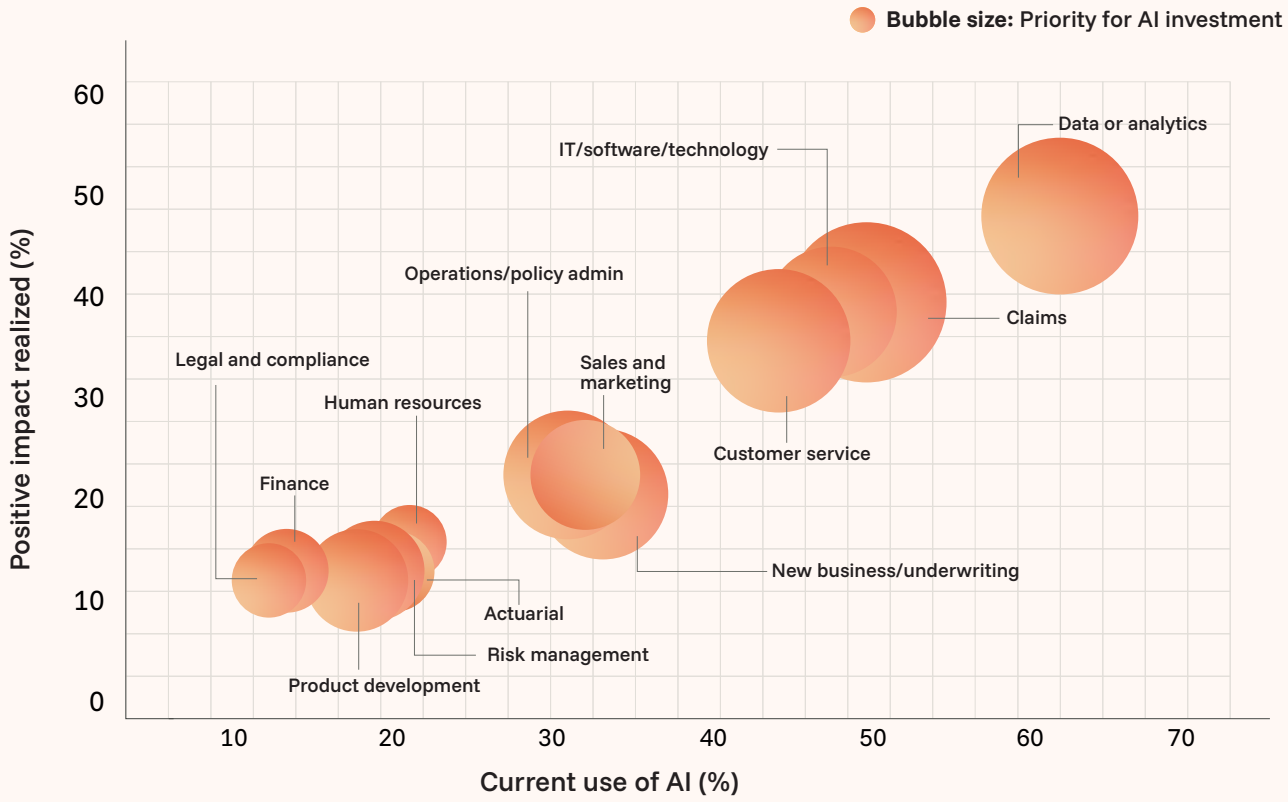
Deploying proofs of concept is a start, but embedding AI at scale is what drives transformation. Our study highlights where AI is making strides.

Where is AI being deployed?

Data or analytics (57%), claims (46%), software engineering (44%), customer support (41%), and underwriting (31%) top the list of areas where insurance companies are deploying AI. Over the next three years, data or analytics will remain the leader, while customer support, IT, and new business are set to gain ground (see figure 4).

AI's foundation in areas like software engineering and data analytics empowers advances in claims and underwriting, directly addressing customer pain points. With 48% of customer respondents reporting challenges in claims navigation, these AI investments promise significant improvements in experience and efficiency.

Figure 4: AI in action – Where insurance companies are using AI, making an impact, and heading next



Questions for senior insurance executives:

- Where is your company currently using AI in its operations? Select all that apply. N=199
- What area of the business has experienced the most positive impact to date from AI implementation? Select the top three. N=199
- Which use cases is your company prioritizing for AI investment in the next one to three years? Select all that apply. N=200

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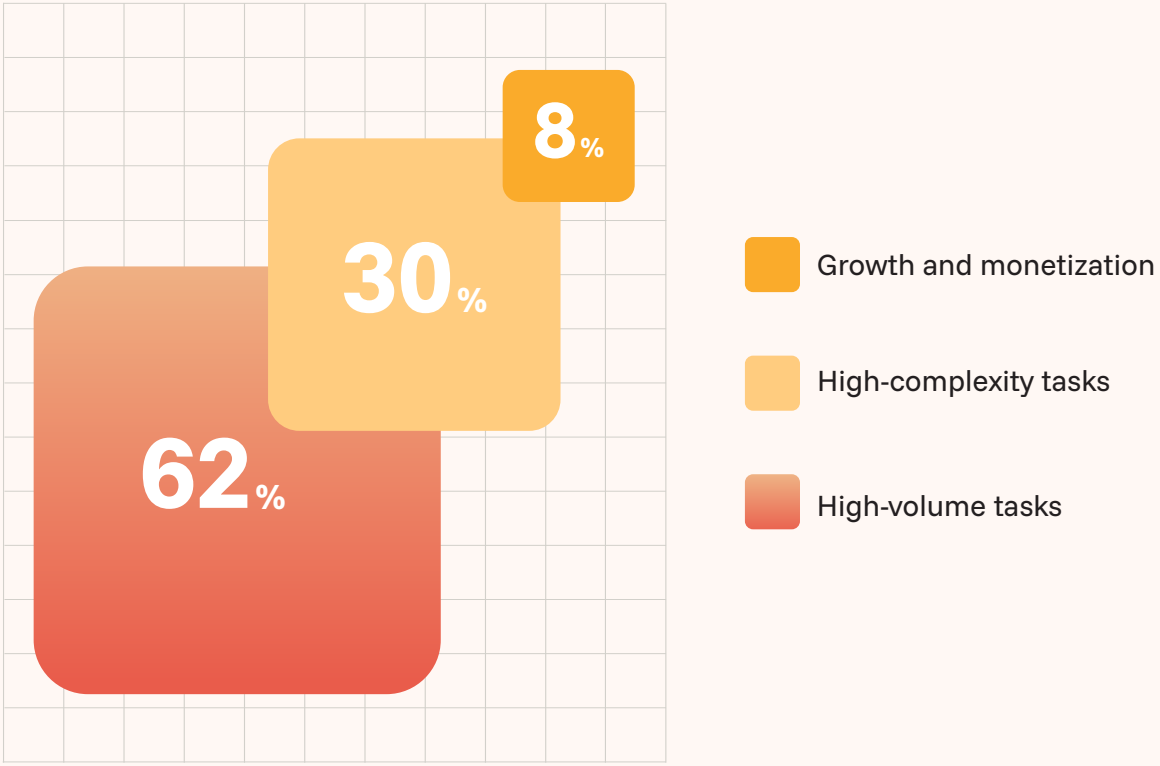
Figure 5: Competitive advantage from AI in the next one to three years



- Growth tasks expand business and monetize data/AI assets
- High-complexity tasks aid decision-making in complex scenarios (for example, risk modeling, pricing)
- High-volume tasks boost efficiency in data-heavy processes (for example, claims, customer service)

Question for senior insurance executives:
Where do you see AI giving your company the greatest competitive advantage in the next 1–3 years? N=199

High volume or high complexity?

AI's current focus in insurance is clear. A majority of executives (62%) believe its competitive edge lies in high-volume tasks like claims processing and customer service (see figure 5). Among AI leaders, this consensus is even stronger at 77%, with only 15% saying their focus is on high-complexity applications and just 8% linking AI with growth and monetization opportunities.

Interestingly, laggards are taking a different track. While 56% still focus on volume, 36% say AI will yield the biggest gains in complex tasks like dynamic pricing and risk modeling.

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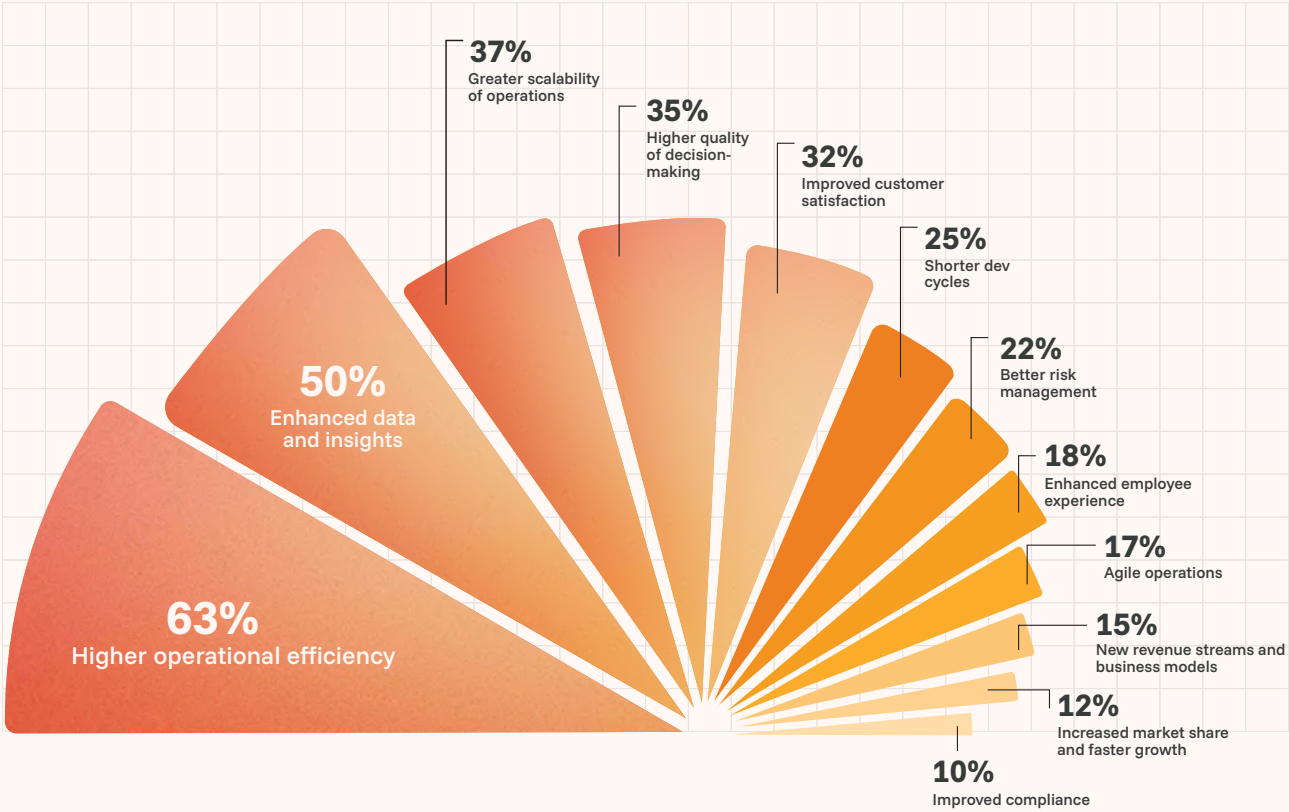
Figure 6: Benefits achieved at-scale through AI adoption



Question for senior insurance executives:
What types of benefits have you been able to achieve at scale through AI implementation? Select all that apply. N=199

63%

of insurance executives cite operational efficiency as the top outcome for AI at scale. But this limits AI's potential.

What does moving beyond productivity look like?

Focusing on productivity gains is a logical first step and a quick win that builds momentum. However, treating it as the ultimate goal poses a significant risk. Insurers and intermediaries need to go beyond routine automation and unlock growth and data monetization by addressing complex decisions that require deep research, technical expertise, and contextual understanding. This is where AI's transformative power truly emerges.

> Early commoditized tasks are ripe for the taking, but the ROI is lower because it's easier to pick up slack there. The big bang for the buck is more complex, intricate processes involving multiple teams where AI has an opportunity to shine and will be connected with a series of automation steps.

Chief information security officer at a leading US life insurance organization

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Let's look at the two areas targeted for the highest impact from AI deployment in the next one to three years – claims and underwriting – to see how organizations can move beyond efficiency gains.

Every insurance company strives for sustainable growth and profitability, no matter the market. AI, when embedded strategically and customized for specific personas within the underwriting life cycle, can drive significant performance gains. It can enhance risk assessments, pricing, capital deployment, reinsurance, policy administration, and customer services.

Underwriting, with its web of decisions and data, becomes faster and smarter with AI. It creates context-rich risk analyses, identifies patterns, forecasts future claims, and enables proactive action. From uncovering nuanced risks to providing tailored guidance, AI takes underwriting to another level.

For **claims**, AI can anticipate needs, mitigate risks, and elevate customer interactions. Done correctly, it can help with consistent, transparent decisions without fatigue, delivering reliable, high-quality results time and again.

Augmenting talent

AI also opens doors to entirely new possibilities for global roles. Tools like accent neutralization break down communication barriers, creating a more versatile, connected workforce that operates seamlessly across borders. This enables organizations to deploy talent globally, making their teams stronger and more adaptable.

By augmenting how people think (like decision support and complex analysis) and improving operational execution (through process automation), AI doesn't replace the workforce; it can empower it to achieve the extraordinary.

The future is agentic

Agentic AI presents even greater possibilities. Imagine systems that can autonomously investigate claims, analyze internal and external data, and present actionable fraud assessments to investigators. It can also refine risk thresholds, adapt to market conditions in real time, and reduce fraud false positives through feedback-based learning.

The result? Shorter cycles, enhanced accuracy, and a sharper focus on strategy. AI can transform decision-making while fostering a smoother, more trusted customer experience.

How will AI enhance the customer experience?

AI is reshaping customer support, but customers still value human connection at key moments.

While 41% of insurance executive respondents say their companies use AI to boost customer support, over half of customers (59%) still expect access to live agents, especially during crises. Only 10% are comfortable relying solely on AI-driven chatbots when humans aren't available (see figure 7).

To truly elevate the customer experience, insurers must strike the right balance between AI-driven efficiency and the reassurance of human interaction.

59%

expect to always reach a live representative, especially during a crisis. Companies must balance AI with a human touch.

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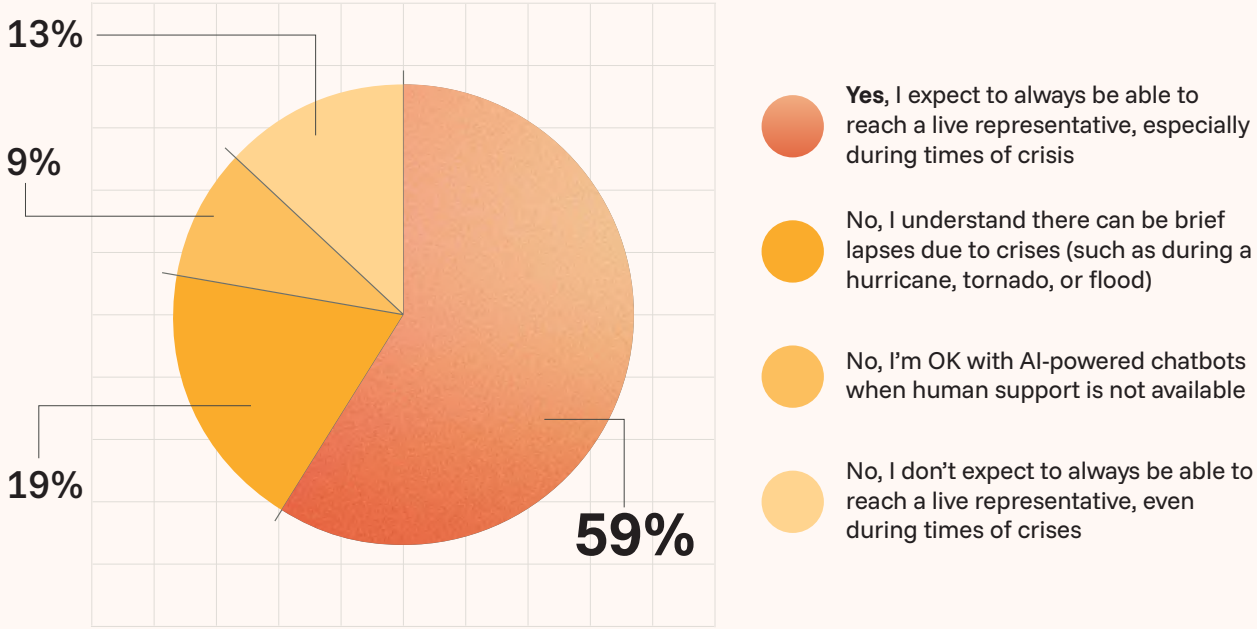
Figure 7: Customer expectations for AI vs. human support in insurance

Do you expect 24/7 live human support from your insurance company?



Question for insurance customers:
Do you expect your insurance company to provide 24/7 support from live human representatives? N=1000

Simply sprinkling AI onto existing processes will lead to struggles with adoption and scale. Instead, design processes that are data-led, with AI acting as the bridge between complex research, decision points, and actionable insights.

Moving beyond productivity isn't just about doing more, faster. It's about unlocking innovation, improving decision-making, and opening doors to growth. This is where insurers and intermediaries can truly transform.

Don't miss our practical advice on how best to harness AI for more than just productivity

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04

The scaling problem

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Many businesses hit obstacles when trying to scale AI beyond pilot use cases. Our study has surfaced some expected (and unexpected) challenges. Despite these speed bumps, insurance companies are moving beyond cherry-picking use cases to embedding AI at scale.

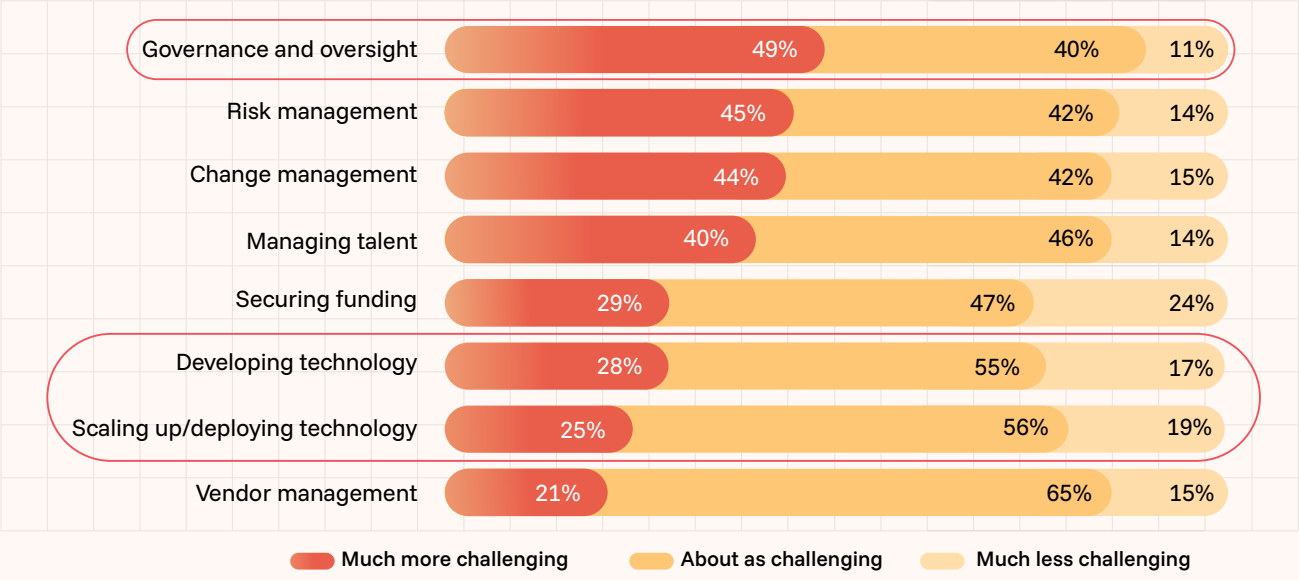
Scaling AI beyond pilot projects remains a tough challenge. Many are still ring-fencing AI deployments, preferring to confine its use to controlled areas rather than fully embedding it across operations.

This cautious approach reflects the industry's ongoing effort to balance innovation with regulatory and reputational risks. With the arrival of agentic AI, businesses must prepare to move beyond these limits and unlock its full potential.

When looking at what's holding them back, technology isn't the biggest barrier. **Only 28% of insurers and intermediaries see AI deployment as more technologically challenging** than previous waves like cloud or big data (see figure 8).

That's right – AI's tech hurdles aren't the big story here. The real obstacles lie beyond the technology itself – in governance, risk management, change adoption, and data quality. Addressing these deeper challenges is essential to breaking free from ring-fenced implementations and realizing AI's transformative power at scale.

Figure 8: Challenges in deploying AI compared to previous transformative technologies



Question for senior insurance executives:
Compared to the introduction of previous transformative technologies (for example, cloud, web, RPA, big data analytics), how challenging is/do you expect the deployment of AI to be in the following areas? N=199

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Tackling uneven governance and oversight

Unlike past technology waves, governance and oversight (49%) are proving to be more significant challenges for insurance companies. Data privacy (62%) and regulatory differences across jurisdictions (42%) are regulatory concerns that exacerbate the problem, creating a landscape where a one-size-fits-all strategy simply doesn't work. Proofs of concept may succeed in one area but fail elsewhere, requiring insurers to rethink their approaches.

Over two-thirds (69%) of respondents report that their companies have an AI governance committee or council, most of which are centralized. The most effective governing bodies have leaders from risk, IT, finance, and insurance-specific functions collaborating to establish charters that address regulatory compliance, risk mitigation, and operational alignment.

The goal is to find the right balance between agility and control, enabling compliance while encouraging innovation.

Agentic AI introduces a new dimension. These systems can learn and act autonomously – and they challenge traditional governance models. They require flexible risk frameworks, forward-looking scenario planning, and mechanisms to keep AI's decisions transparent and auditable.

Regulatory readiness is key. As agentic AI evolves, so will regulatory requirements, and insurance companies must prepare for rapid changes in compliance demands. Interestingly, agentic AI could simultaneously assist with compliance by autonomously monitoring regulations and identifying gaps in real time, giving companies the agility that static, human-reliant systems often lack.

Navigating the complexities of AI change management

Adopting AI at scale isn't just a technical upgrade – it's an organizational transformation requiring bold leadership and strategic change management. Yet, this is where many leaders falter.

Our research found that **change management is where insurance executives are least confident in making decisions about AI**, highlighting the necessity of a focused and structured approach.

AI is a business initiative demanding deep business and industry expertise, cross-functional collaboration, and cultural transformation.

Change management is the linchpin for scaling AI, even though technology can be a leading source of uncertainty. Align leadership and engage teams to unlock AI's potential.

> The number one challenge is regulatory requirements because what AI means to different jurisdictions varies so much. Disclosure requirements already add to the administrative overhead, and expanding the definition of AI to new applications increases the burden even more. Balancing this with the pace of innovation has been a constant pain and a struggle.
>
> Chief information officer at a leading global multiline insurer

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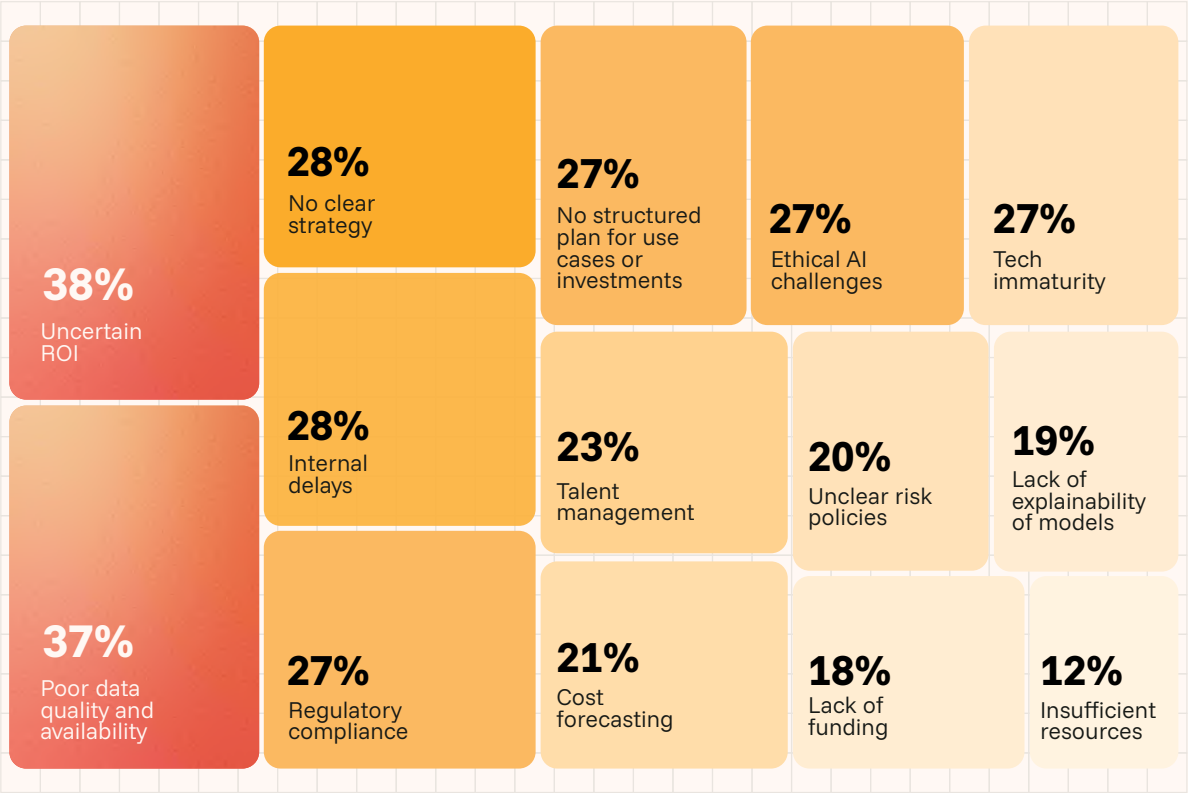
AI's ROI framework is misaligned

Uncertain ROI tops the list of significant pain points regarding AI for insurance companies (see figure 9). And misalignment between AI ROI frameworks and business goals hinders deployment at scale.

Just over one-third (35%) of the executives in our study say their companies have the right KPIs and measures of success to assess the effectiveness of their AI implementation.

Figure 9: AI pain points



Question for senior insurance executives:
Which of the following are significant pain points regarding AI within your company? Select all that apply. N=199

Only
35%
of insurers believe they have the right KPIs to measure AI.

Insurance companies approach investment in AI just like any other project vying for budget. For now, traditional metrics like net present value and ROI dominate AI investment decisions, likely due to their direct link to business outcomes. While practical for near-term planning, this approach may be short-sighted in the long run. With the evolving nature of AI, predicting future economic benefits remains elusive. Insurers need AI-specific metrics to provide a more rounded framework.

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Metrics for AI deployment

Category: Business KPIs			
Focus area		**Adoption strategy**	**Implementation tips**
Cost	**Cost reduction**	Automate manual tasks such as claims triage and document processing to reduce labor costs. Evaluate AI ROI through the total cost of ownership and cost per decision	Pilot AI in high-cost processes to demonstrate early savings before scaling
Operational governance	**Efficiency**	Maximize operational efficiency by using AI to streamline workflows and reduce manual errors	Track efficiency metrics like reduced processing time and error rates post-AI deployment
	Issue resolution	Assess how effectively AI identifies and resolves operational issues	Track issue resolution times and audit AI recommendations for consistency
	Service accuracy	Validate AI-driven outcomes to enable precision and reliability in decision-making	Continuously monitor performance metrics against accuracy benchmarks and regulatory standards
Capacity building	**Staff utilization**	Use AI to increase throughput, such as enabling agents to serve more customers or underwriters to review more applications via predictive models	Analyze shifts in staff workload allocation and measure increased output per employee/unit. Track how AI augments – not replaces – human capacity
Growth and value creation	**Revenue lift**	Personalize offerings, improve targeting, and optimize pricing using AI-driven insights like recommendation engines and customer lifetime value models. Quantify AI's financial impact on top-line growth	Track AI's contribution to new policy sales, upsell/cross-sell rates, and customer acquisition costs
	New opportunities created	Assess how AI uncovers new business opportunities or market insights	Monitor AI contributions to identify untapped customer segments or new product ideas
	New ideas generated	Track AI's role in fostering innovation across business processes and strategies	Document use cases where AI-generated insights influenced major decisions or led to novel solutions

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Category: AI-specific KPIs			
Focus area		**Adoption strategy**	**Implementation tips**
Engagement governance	**Time to value**	Set benchmarks for how quickly a model delivers measurable outcomes post-deployment, such as reduced processing time or higher customer satisfaction	Use agile development cycles and phased rollouts to accelerate impact while learning
	Scalability	Assess AI's ability to handle growing workloads without performance loss	Measure scalability by tracking response times and system uptime under increasing workloads
	Business continuity	Ensure AI implementation maintains uninterrupted operations during disruptions or increased demand	Test business continuity through stress testing and contingency modeling for AI systems
Data governance	**Data privacy**	Embed privacy by design; ensure models use only necessary data and follow consent protocols	Conduct regular privacy impact assessments and maintain compliance with regulations such as the Health Insurance Portability and Accountability Act (HIPAA) in the US and the EU's General Data Protection Regulation (GDPR)
	Data security	Build secure data pipelines and access controls. Encrypt sensitive data used for training and inference	Track the number of vulnerabilities identified, patch times, and audit results in AI workflows
	Data transparency	Help stakeholders understand and trust how models work by using interpretable models, especially in regulated environments	Implement model cards, documentation, and explainability tools (like SHAP or LIME) for every production model

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Poor data quality continues to plague insurers

Insurance companies need robust data frameworks and capabilities to apply governance frameworks and build AI tools. A shaky foundation simply won't cut it.

Companies relying on aging legacy systems must address their technical debt first. Successful deployment of AI needs a modern, integrated data architecture. Data privacy, unclean data, and integration challenges often prevent scaling.

This understanding of data's role in AI is reflected in budgeting priorities. **Over half (51%) of executives are investing in data quality over the next one to three years**. And 43% are focused on data integration and interoperability.

> It is 100% necessary to have robust data frameworks and capabilities; otherwise, it's difficult to apply governance. You need to clean the house beforehand to draw from the same system.

Head of operations at a global leader in insurance and risk management

Insurance companies face many hurdles to scaling AI. Regulatory fragmentation and legacy systems further complicate the problem. While most companies have AI governance bodies in place, many lack the agility and oversight to advance capabilities like agentic AI. Successful AI adoption requires more than technology; it needs cross-functional collaboration, AI literacy, and a modernized data infrastructure.

To truly scale AI, treat it as a strategic transformation and align investment, governance, and culture.

Don't miss our practical advice on how best to overcome scaling challenges

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05

Not all talent is AI-fluent

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AI's rapid evolution exposes a critical challenge: a shortage of professionals skilled in both the technology and insurance. Scaling AI demands a balanced approach – combining in-house training, strategic hiring, and partnerships with leading experts to bridge the gap and unlock its full potential.

AI fluency becomes a top priority

AI fluency is critical for transformation, but insurers are grappling with a significant talent gap. **Only 2% of insurance executives say that nearly all their team members are AI fluent. In fact, 69% say that either very few team members are AI fluent, or at best, some are.**

To bridge this divide, over half (53%) plan to build in-house AI expertise within the next six months to two years (see figure 10). Among laggards, this figure rises to 65%.

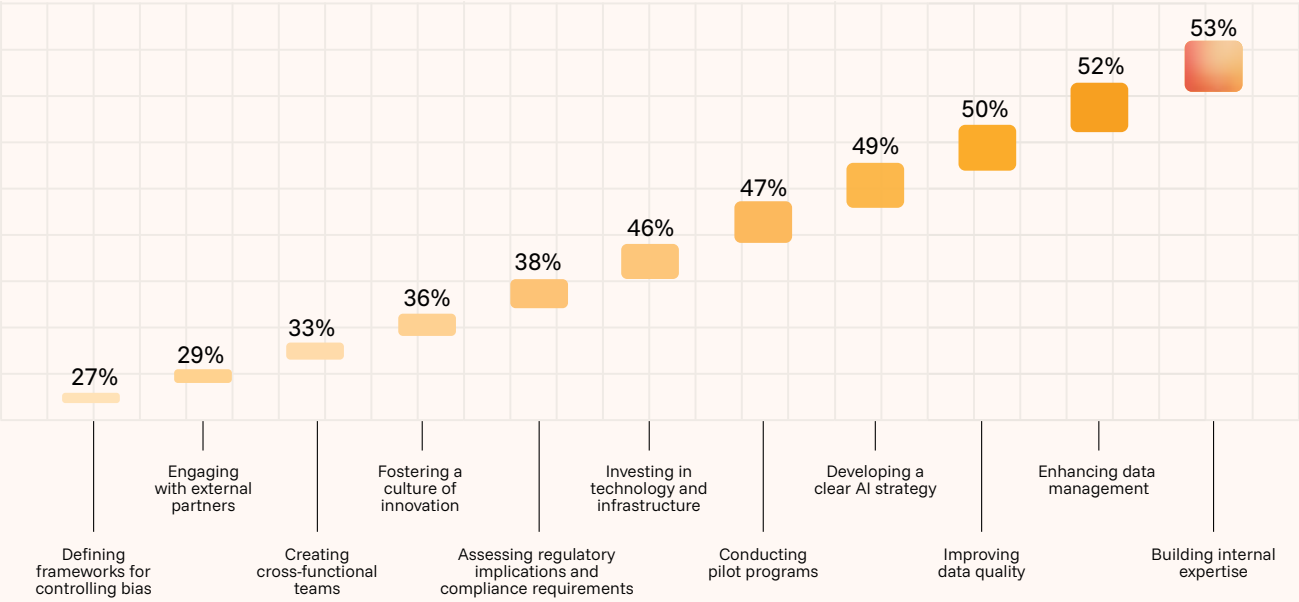
AI fluency spans two streams:

- Employees who bridge tech and business, understand AI's potential, and develop use cases
- Everyday users comfortable integrating AI into their workflows

Adoption relies not just on experts but also on driving user comfort and fostering change management.

Finding talent that combines AI fluency with insurance expertise is a significant challenge. It's not just about algorithms but about mastering policy structures, regulations, and customer behaviors to turn tech into actionable, impactful solutions. Without this blend, even advanced technologies will fall short.

Figure 10: Steps taken for widespread adoption of AI



Question for senior insurance executives:
What steps is your company taking to prepare for the widespread adoption of AI? Select all that apply. N=199

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Figure 11: Top five ways insurers are building internal AI expertise

Question for senior insurance executives:
How is your company ensuring that it has the right talent in place for AI? Select all that apply. N=198

Investing in AI talent pays off far beyond technical implementation. AI-fluent teams make faster decisions using insights for underwriting, fraud detection, and pricing. They reduce errors by automating repetitive tasks, spot risks like model drift or bias early, and enable smoother enterprise-wide transformations.

Cross-functional teams also form more easily, prototyping innovations like gen-AI-driven product ideas or customer journeys. The benefits of greater AI fluency then extend into better customer experiences.

Upskilling: It's personal

To address the talent gap, **46% of insurance companies focus on upskilling employees, but leaders go further** (81% versus 33% for laggards). They combine internal training with external partnerships, relying on diverse vendors for integration, tools, and solutions. Choosing the right partners is critical, as AI success depends on a strategic blend of expertise and innovation.

Personalized training is driving progress, with companies crafting role-specific learning paths and enabling basic AI literacy across the board. Leading organizations are already preparing for agentic AI, teaching teams to collaborate with intelligent agents, delegate tasks, and manage decisions. Some are forming AI-agent orchestration roles to oversee portfolios of these intelligent agents and align them with business goals.

55%

of insurers plan to make their internal teams more AI-fluent in the next six months to two years.

Talent is a consideration that surfaces over and over again in AI conversations. AI can amplify and augment intelligence, but only when employees are equipped to bring it into their everyday working practices.

Don't miss our practical advice on fostering AI talent and managing change

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06

Scaling AI in insurance: A strategic blueprint

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Our study highlights a clear path forward for AI adoption: build for scale and trust. Acting now on responsible innovation is a chance to bridge gaps, drive meaningful impact, and lead the industry. Adopt the six elements from our blueprint below.

How to scale AI successfully

01

Strengthen your data foundations

- Bad data leads to flawed outcomes. Revisit your data foundations to make sure your data is accessible, clean, and well-structured
- Secure your data infrastructure by aligning it with regulatory and privacy mandates to avoid costly setbacks
- Implement proactive data quality monitoring, validation, and alerting tools to remedy data issues at the source
- Regularly update governance controls to maintain data quality at scale
- Combine data-driven precision with human insights to reduce friction, deliver exceptional customer experiences, and build trust

02

Prioritize business outcomes

- Use AI to both automate tasks and transform decision-making. Focus on high-value workflows that go beyond efficiency gains. While AI can trim workforce costs, use it to drive better decision-making
- Embed AI fully into existing systems rather than treating it as a point solution
- Focus on business outcomes such as reducing claim-processing time, enhancing underwriting precision, and improving customer experiences
- Track a balanced set of leading and lagging indicators to measure value

03

Balance governance and risk with precision

- Establish a multidisciplinary governance council with senior executives who can champion AI's adoption across the enterprise
- Build governance frameworks that aren't burdensome and allow for flexibility – AI implementation should remain manageable and scalable
- Enable federated governance with clear guardrails. Balance centralized policies with autonomy at the business-unit level for faster decision-making
- Align ethical AI practices with governance and compliance needs to mitigate reputational risks

04

Design for scale and value from the start

- Avoid building AI applications in silos – allow for reusability across business units
- Adopt AI across departments to avoid isolated initiatives. Enable cross-functional collaboration to align AI strategy and implementation. Integrate AI systems with existing platforms and streamline processes
- Start experimenting with agentic workflows in repetitive, judgment-driven, data-rich processes prone to exceptions or delays. Examples include claims intake, policy servicing, fraud investigation prep, and underwriting preprocessing triage. In these areas, agentic AI can autonomously handle routine decision cycles end to end
- Develop trust boundaries where agentic AI can operate with autonomy under human supervision. The goal isn't to fully automate but to cocreate new, bias-free hybrid workflows that increase speed and resilience

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05

Empower people and manage change

- Move beyond general AI fluency and provide targeted, role-specific training. For example, equip underwriting teams with training on AI-powered analytics and decision-making tools
- Develop internal AI talent pipelines through in-house academies or partnerships
- Foster a people-centered culture that empowers teams with technologies that support ongoing transformation
- Invest in change management programs to address cultural readiness. Offer AI literacy programs to help employees adapt to new workflows and processes and reduce misconceptions. Include them in the design process and share success stories to build momentum
- Develop ethical guidelines for AI that prioritize empathy and human-centric values

06

Build a partnership ecosystem for growth and innovation

- Work with partners offering modular, end-to-end solutions that have the ability to adapt to rapid technology enhancements without traditional multiyear technology replacement projects
- Working with a robust ecosystem of partners creates a 'best-in-class' process for the insurer
- Build on and learn from your partners to stay ahead of AI developments and maintain agility

What does AI-driven transformation look like?

Reimagine underwriting as a dynamic, continuous risk engine

Shift from static rules to AI-led underwriting that adapts in real time to new data sources like telematics, wearables, and market signals, recalibrating risk appetite dynamically.

Transform claims from a reactive service to proactive engagement

Leverage AI agents to detect early loss signals (for example, from connected sensors, satellite imagery, customer behavior), automate the first-notice-of-loss initiation, and deliver personalized claimant support throughout the journey.

Turn policy servicing into a predictive, need-based advisory platform

Move from reactive servicing to using AI to predict customer needs, such as beneficiary updates, premium adjustments, or retirement triggers. AI can offer proactive nudges and tailored options.

Redefine agent enablement with autonomous copilots

Use AI copilots to synthesize policy insights, customer behavior, and product suitability. Copilots empower human agents by providing recommendations in natural language that enhance sales and compliance.

Move fraud and risk management from detection to deterrence

Deploy agentic AI to analyze patterns across ecosystems (for example, from the dark web, third-party databases). Autonomously identify and flag emerging fraud rings before losses occur.

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The path forward

Align your AI strategies with your organization's maturity level:

Laggards: Build a strong foundation

Think data readiness, foundational governance, and targeted efforts to prove AI's value.

Share tangible outcomes through high-impact use cases. Start small, secure quick wins, and use them to build momentum for broader adoption and large-scale deployments.

Fast followers: Scale strategically

Home in on removing organizational silos, upskilling teams, and extending AI throughout the business. Prioritize impactful projects and ensure systems are scalable and resilient to handle future needs.

Leaders: Push the boundaries of innovation

With AI scaled, explore advanced, ethical strategies to shape the next wave of AI transformation.

Each step demands clarity of purpose and a strategic approach. Do more than adopt AI; embed it in ways that drive long-term impact.

There's no one-size-fits-all blueprint for AI adoption. Insurers and intermediaries face challenges – from poor data quality to fragmented regulations – but these hurdles are an opportunity to create solutions tailored to your needs. And your customers'.

While companies are making headway with AI to create efficiencies, there's room to truly impact the customer experience. But scaling AI – including agentic AI – takes an all-in approach. It needs a fresh way to manage data, talent, and change, plus an ecosystem of partners to power growth, tackle obstacles, and unlock AI's full potential.

It's time to act and reshape your future.

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07

About the study

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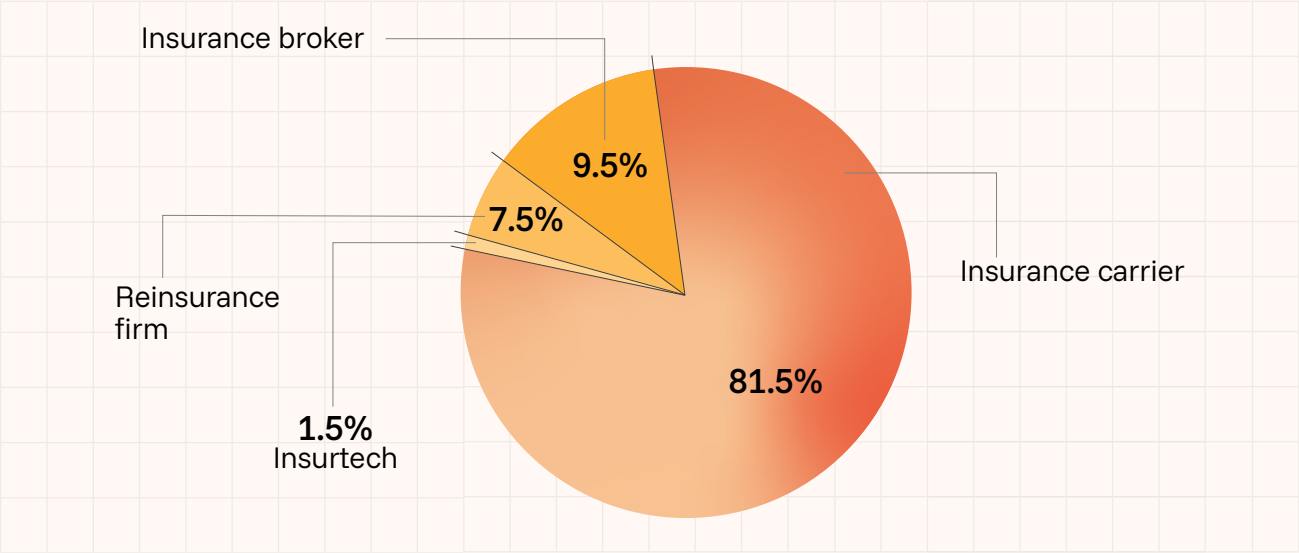
Research demographics

Insurance executives

Two hundred senior insurance executives worldwide participated in our study (in collaboration with our research partner, NewtonX) to share their experiences on how they are integrating AI into their businesses.

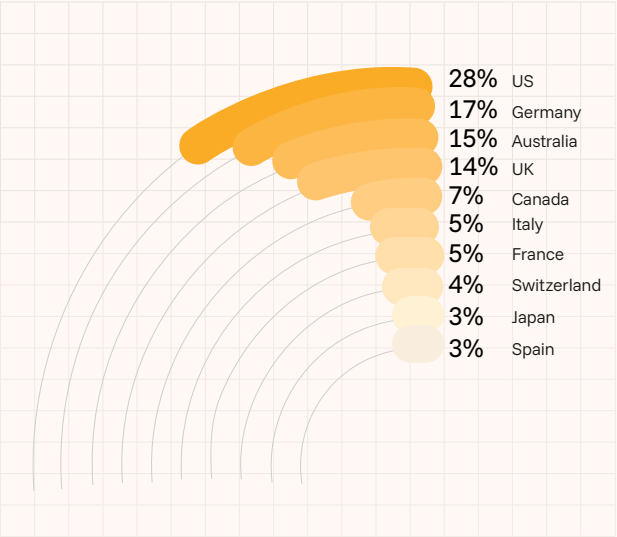
In addition, 16 executives took part in one-to-one interviews to provide insight into their level of AI maturity and the challenges they face. Here is a detailed breakdown of our respondents:

Insurance business



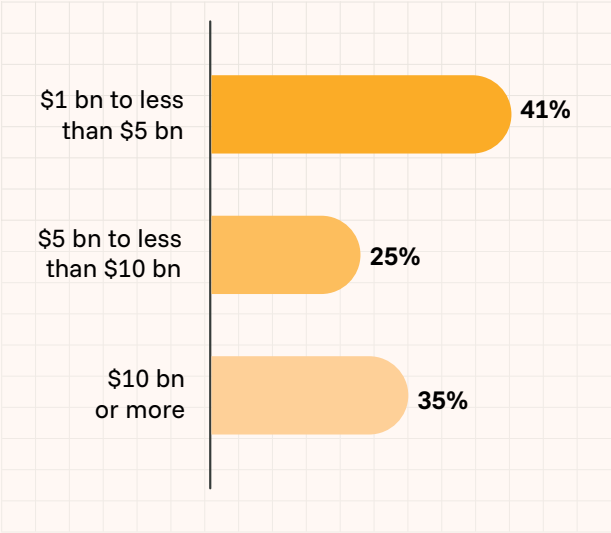
Question for senior insurance executives:
What best describes your company?

Geographies



Question for senior insurance executives:
In which of the following countries do you currently work?

Company revenues



Question for senior insurance executives:
Which of the following best describes the worldwide annual revenue of your company, in US dollars?

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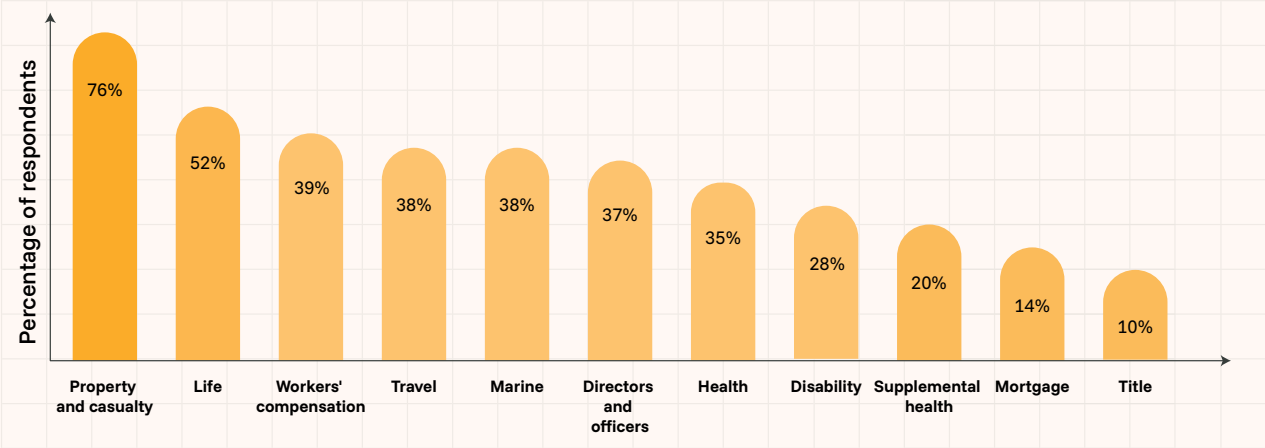
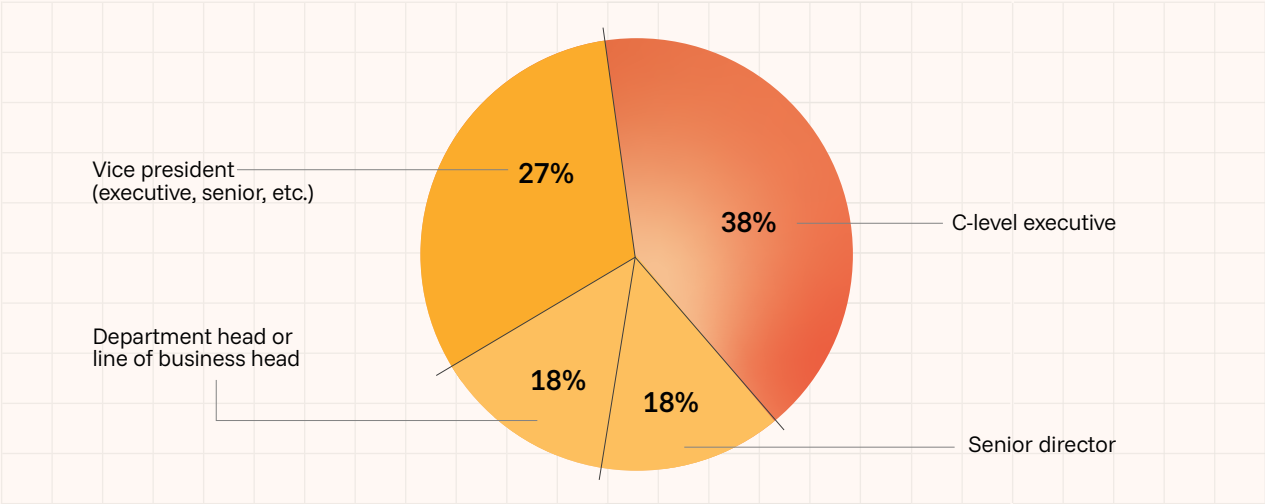
Insurance categories



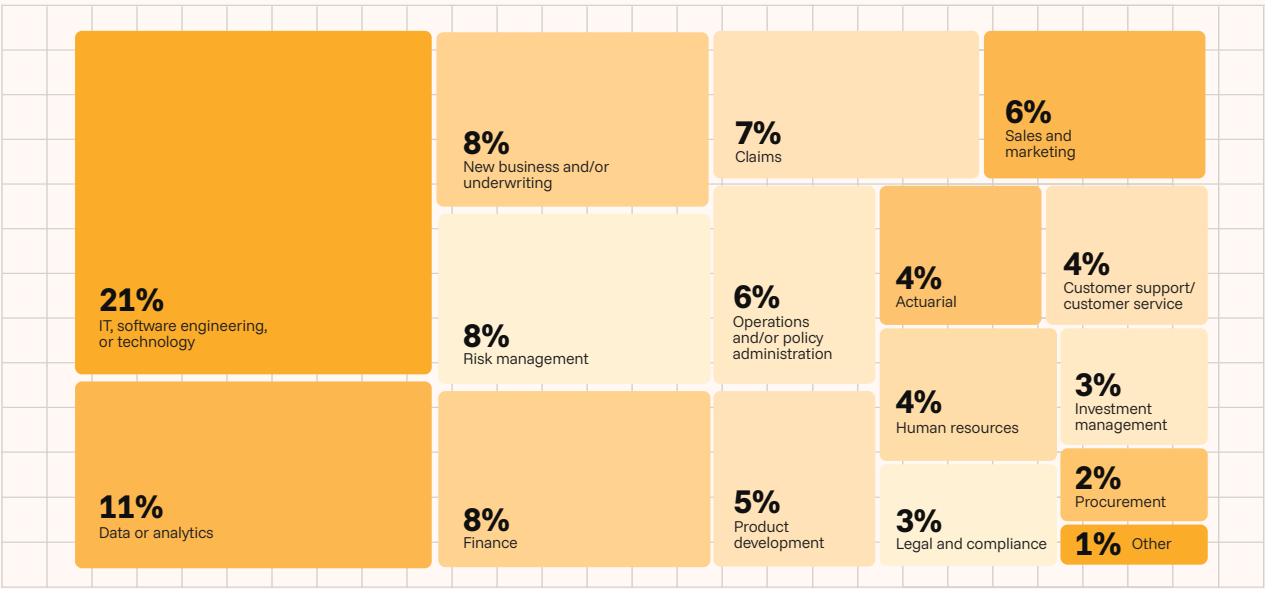
Question from the survey of insurance executives:
What best describes the categories of insurance your company offers? Select all that apply.

Seniority



Question for senior insurance executives:
Which of the following best describes your seniority within your organization?

Function



Question for senior insurance exectives:
Which of the following best describes the department/division in which you work?

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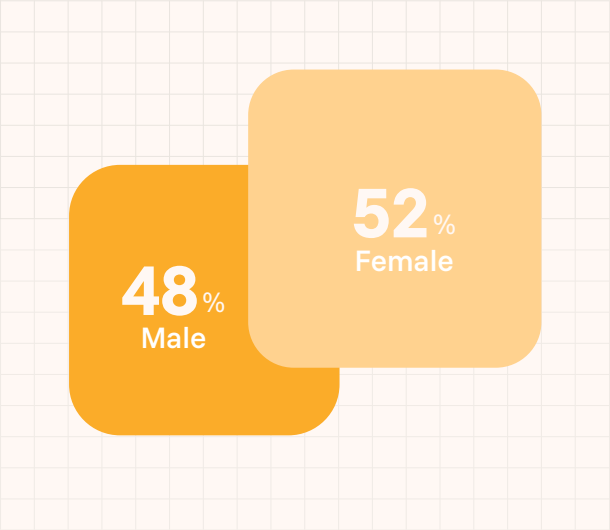
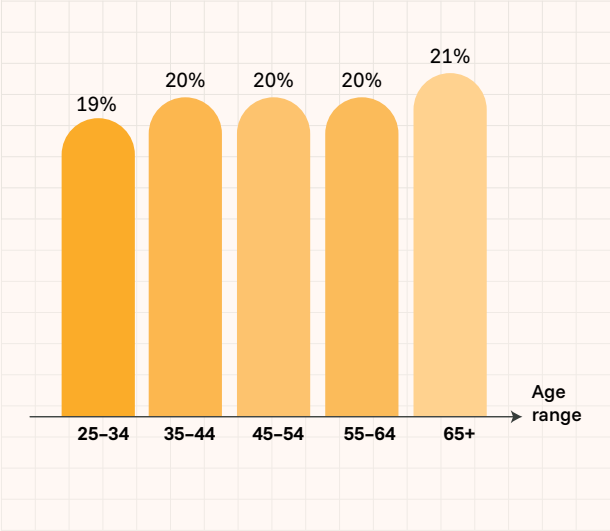
Insurance customers

To understand how insurance customers feel about the adoption of AI in the industry, 1,000 US customers participated in our survey through our partner, Dynata. Here are the details:

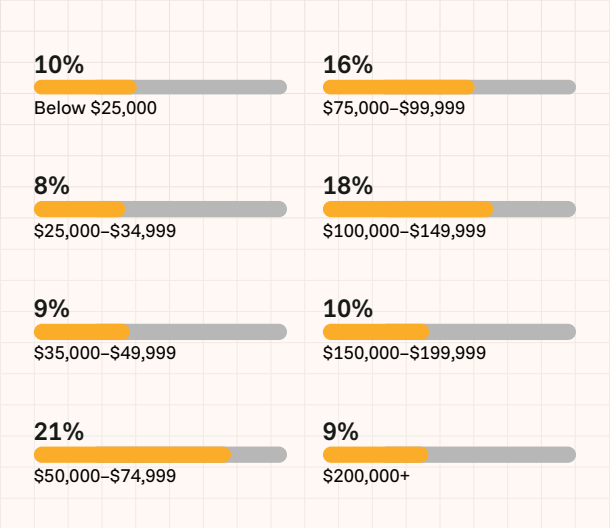
Gender



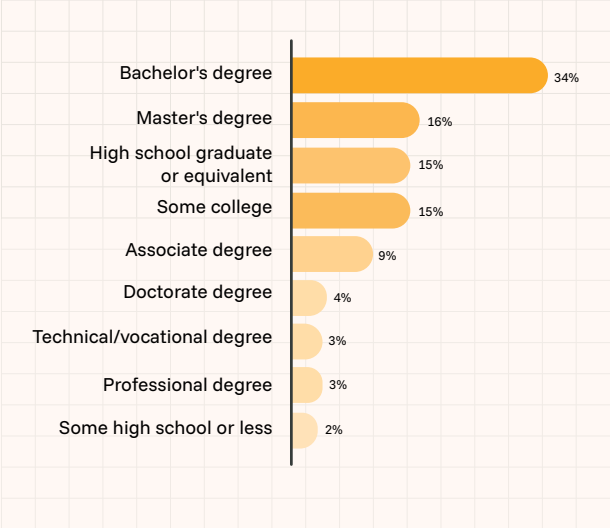
Age



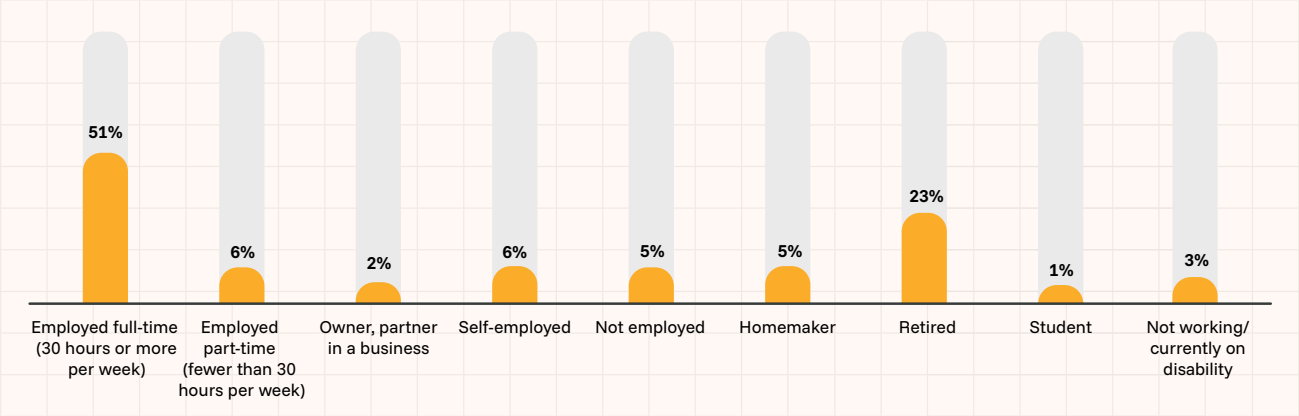
Household income



Education



Employment



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