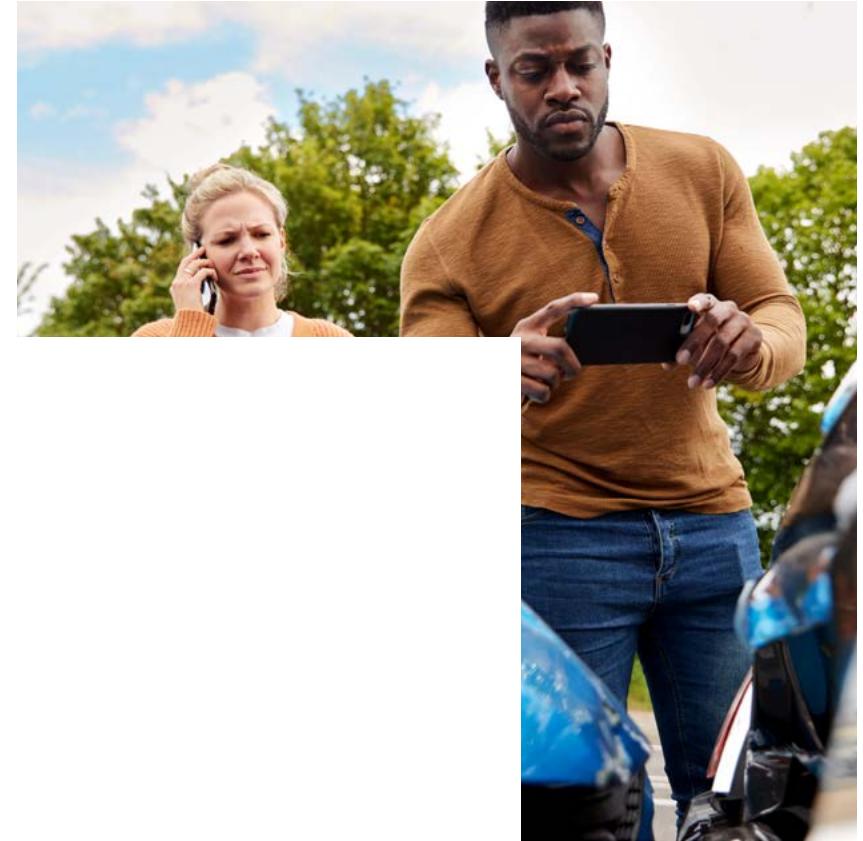


# Top trends to watch in Property & Casualty Insurance

Read on for CGI client insights  
on how to deliver a digital  
customer experience



**2022** CGI VOICE  
OF OUR CLIENTS

**CGI**

# Driving digital to transform the end-to-end customer experience

## Impact of macro trends

Top macro trends cited by executives in property and casualty insurance this year include changing social demographics, climate change, and technology and digital acceleration. One of the most impactful social demographic changes is a shortage of IT talent, which is constraining digitization, while climate trends, such as decarbonization, are impacting regulation.

To address these macro trends, executives are investing in IT acquisition and retention, digitization and data to drive new digital services, and sustainability strategies.

## Top of mind for clients

Changing global conditions over the past two years, including a global pandemic, have pressured executives to accelerate their digitization, and now with most making progress on this front, the need to translate digitization into an enhanced customer experience has become top of mind. For 85% of executives, digitization is having either a high or medium impact on their business models in 2022. Further, driving a differentiated and seamless customer digital experience is the top cited business priority.

Executives are focused on improving the customer experience through data insights, as well as increased efficiencies driven by process automation and other modernization initiatives. However, they face the challenges of limited business agility, legacy infrastructure, sub-optimal business and IT alignment, and an IT talent shortage.

## About the insights



Each year, we meet with client executives from around the world to get their views on the trends affecting their organizations and industries. Through the CGI Voice of Our Clients, we analyze these findings to provide actionable insights by industry to benchmark best practices, including the attributes of digital leaders.

In 2022, we met with 1,675 business and IT executives.

**This summary report shares sample insights from 72 executives in property and casualty insurance.**

## Interview demographics

Business leaders	37%		63%	IT leaders
C-level	64%		36%	Ops-level

# Top trends and priorities

As executives continue on their digital transformation journeys, it is becoming increasingly important to deliver an end-to-end digital customer experience. To achieve this, they are investing more in data, as well as in process automation and IT modernization.

## Key takeaway

In terms of modernization, more than half of executives say they will move core platforms to platform-as-a-service, infrastructure-as-a-service, and software-as-a-service providers over the next two years.

	Top trends	Top business priorities	Top IT priorities
1	Fast-shifting consumer product and digital servicing expectations	Drive differentiated, seamless customer digital experience	Rationalize, simplify, modernize applications and infrastructure
2	Widespread concern of cyber attacks	Derive value from data to improve underwriting and customer evaluation	Establish plan for digital transformation
3	Attracting, acquiring and retaining talent	Drive end-to-end process automation across the value chain	Continue to develop data insights to support the business

The industry trends capture key drivers with the greatest impact on the clients' industry. The business priorities represent how clients are addressing the industry trends, and the IT priorities reflect the technology areas of focus to address the trends and achieve the business priorities.

# Digital progress in Property & Casualty Insurance

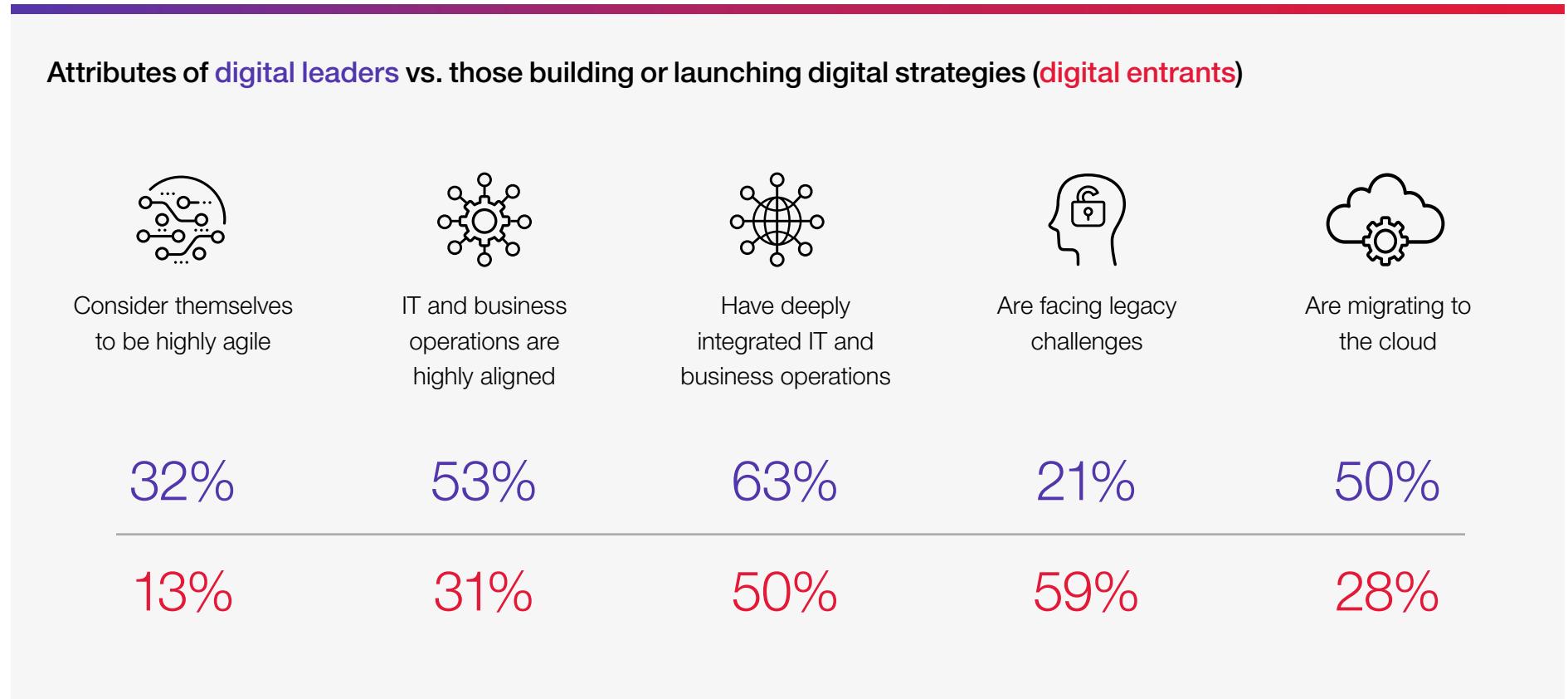
This year, 28% of executives in property and casualty insurance say they are producing results from their digital strategies. Further, 11% of these are working on the “next wave” of digitization initiatives. In comparison, 25% of executives in all of our clients’ industries are producing results from their digital strategies.



# Digital leaders in Property & Casualty Insurance

In examining insights from the 28% of property and casualty executives who are digital leaders (i.e., producing results from their digital strategies), some common attributes emerge.

The table compares responses to questions from the digital leaders to those from executives whose organizations are still building or launching digital strategies (digital entrants).



# Key findings from our interviews with Property & Casualty Insurance executives

1.

---

## **Driving a digital customer experience remains the top business priority.**

In response to fast-shifting customer digital expectations—the top cited trend for five years straight—executives are increasingly focused on delivering a digital customer experience. For the third consecutive year, they cite driving a digital customer experience as their top business priority.

2.

---

## **Deriving value from data rises in importance.**

The use of data is on the rise to improve underwriting and pricing, drive new products and services, and better control risks. Deriving value from data is the second top business priority for 2022, while developing data insights ranks as the third top IT priority.

3.

---

## **Collaboration is key to evolving business and operating models.**

This year, 75% of executives say the need to reconfigure their business value chains (i.e., their business and operating models) is having a high or medium impact on their business. To facilitate reconfiguration, their top cited action is improving collaboration internally and with ecosystem partners.

4.

---

## **Culture and an IT talent shortage are top constraints.**

Culture and change management, along with a shortage of IT talent, are the top constraints to achieving executives' business priorities. Fifty-two percent cite culture and change management as their top constraint, while 22% are constrained by IT talent acquisition and retention challenges.

5.

---

## **Sustainability slightly dips as a priority.**

While executives have embarked on a sustainability journey, they view sustainability as a slightly lower priority this year. Last year, 34% said it was highly core to creating value for their stakeholders in the future. This percentage dipped to 25% in 2022.

## 6.

### **More executives are moving to as-a-service providers.**

Executives are choosing cloud providers and developing cloud migration plans. This year, 55% say they will move core platforms to platform-as-a-service and infrastructure-as-a-service providers over the next 2 years, while 54% plan to migrate to software-as-a-service providers within the same timeframe.

## 7.

### **Getting results from cybersecurity strategies is a key focus.**

While 88% of executives have a defined cybersecurity strategy in place, the focus is now on operationalizing those strategies and producing results. This year, 47% of executives are in the operational stage, and 37% say they are producing results from their cybersecurity strategies.



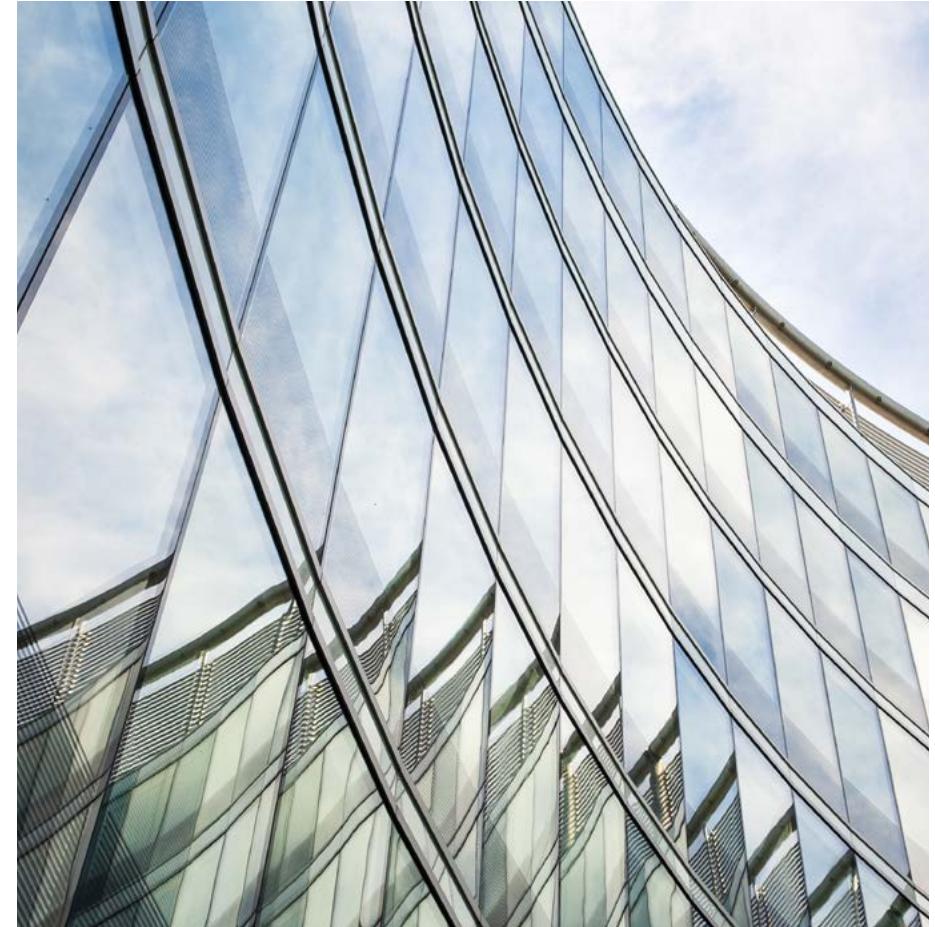
# 5 recommendations for achieving your top priorities

## 1. Analyze your customer journey and invest in data.

As executives focus this year on driving a digital customer experience, understanding the end-to-end customer journey has become paramount. Leading property and casualty companies and partners are identifying, analyzing, and documenting the customer journey to enable straight-through-processing and launch new products and services. The success of this effort depends on access to real-time and verifiable data from both within the organization and from third parties. A data strategy that ensures this access and the optimal use of data for accurate underwriting and expeditious policy issuance is increasingly vital.

## 2. Diagnose your IT workforce to improve resource allocation.

Addressing the IT talent shortage should begin with a thorough IT workforce evaluation. What work needs to be done? Where should it be done? Who should do it? These are key questions to ask and answer before developing initiatives to drive IT recruiting and retention. Where, for example, can your back-office IT maintenance be done? Is there a lower-cost location? What work can be done more efficiently by a third party? Diagnosing your IT workforce leads to better workforce management decisions, which, in turn, help alleviate the pressing IT talent shortage.



### 3. Assess your sustainability posture, maturity and goals.

With increasing sustainability expectations from regulators and customers, executives are facing pressure to develop and implement sustainability strategies. This requires an evaluation of their current sustainability posture, an assessment of their sustainability maturity in comparison with peers, the definition of sustainability goals, and the development of a sustainability roadmap. As executives increasingly expand their partner ecosystems, partnering with a sustainability expert can help them navigate this new terrain and respond effectively to growing sustainability pressures.

### 4. Continue to tighten security, especially for data.

As the number, type and frequency of digital attacks continue to proliferate, executives face ongoing pressure to strengthen and evolve their cybersecurity capabilities across the enterprise. Data security, in particular, is becoming increasingly important as executives invest more in data strategies, collection and usage to drive a digital customer experience. Partnering with a cybersecurity expert provides access to the latest, most advanced data protection technologies and techniques, ensuring business and customer data is fully protected.



#### Case in point



#### **CGI helps German insurer with large-scale digital transformation program**

A large German insurer embarked on an enterprise-wide digital transformation program to deliver a unified and digital customer experience, speed up the time-to-market for new products and services, and reduce operational costs. CGI, working with other partners, is helping to transform the insurer's challenging-to-maintain legacy landscape through automation, core system modernization, and migration to a cloud infrastructure managed by CGI.

## 5. Develop and implement a cloud migration strategy.

IT modernization and, in particular, the move to cloud computing are essential to future-proofing business models, improving operational efficiencies, driving business agility, and competing for customers. As more than half of executives plan to migrate to cloud as-a-service providers over the next two years, the development and implementation of an enterprise-wide cloud migration strategy has never been more important. This involves choosing the right partner, environment, platform, governance and maintenance model, and security capabilities. It also involves an evaluation of what systems should be moved to the cloud, as well as when and how they should be moved.

---

Read more about the 2022 CGI Voice of Our Clients insights:

- > [What digital leaders do to accelerate results](#)
- > [Impacts of macroeconomic trends](#)



### Case in point



#### **Large global insurer relies on CGI for IT modernization and cloud migration**

After supporting a multi-national property and casualty insurer's core U.S. platforms for decades, CGI was tapped to modernize the insurer's commercial policy administration platform, along with an agent portal used for personal and commercial lines of business. CGI implemented Guidewire's PolicyCenter Cloud and Duck Creek's AgencyPortal, saving more than \$6 million in annual legacy maintenance costs and increasing ease-of-use for independent agents. CGI also integrated the new systems with the carrier's downstream billing, claims and data marts.

# Insights you can act on

Founded in 1976, CGI is among the largest IT and business consulting services firms in the world. We are insights-driven and outcome-based to help accelerate returns on your IT and business investments. Our insights represent deep knowledge of industry trends and your business and IT priorities.

For the latest [CGI Voice of Our Clients](#) industry insights, and to consult with one of our experts, please [contact us](#).

