## Top trends & priorities

<table>
<thead>
<tr>
<th>Macro trends</th>
<th>Industry trends</th>
<th>Business priorities</th>
<th>IT priorities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology and digital acceleration</td>
<td>Managing costs to improve combined operating ratio</td>
<td>Differentiated, seamless client digital experience</td>
<td>Improve service quality and productivity</td>
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<tr>
<td>Changing social demographics</td>
<td>Shifting consumer expectations</td>
<td>Process automation internally, across value chain</td>
<td>Simplify, modernize applications and infrastructure</td>
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<tr>
<td>Fight against climate change</td>
<td>Attracting, acquiring and retaining talent</td>
<td>Data to improve underwriting, customer evaluation</td>
<td>Innovate in products and customer experience</td>
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Executives we interviewed

Annually, CGI leaders meet with executives across industries and geographies to gather their perspectives on the trends affecting their enterprises:

- 1,764 across 21 industries
- 89 in Property & Casualty (P&C) Insurance

Digital strategy progress

This year, 97% of P&C executives say their organization has an enterprise-wide digital strategy in place, of which 35% extend that strategy to ecosystem partners. At the same time, 39% are producing expected results from their strategies, above the all-industries average (30%).

- 97% Digital strategy in place
- 39% Producing expected results

- 69% Strategy for the entire enterprise
- 31% Operations
- 62% Enterprise strategy extends to ecosystem
- 58% IT leaders
- 42% Business leaders
- 35% C-level
- 69% Operations
Key findings in Property & Casualty Insurance

**IT modernization to rise**
- 57% have modernized >20% of applications;
- 73% plan to in 2 years

**IT hiring challenges ease, but continue**
- 82% cite difficulty in hiring IT talent, down from 88% last year.

**AI tops innovation plans**
- AI/machine learning is #1 innovation area in 3 years;
- Legacy technology is #2

**Climate action rises in impact**
- 44% cite high impacts of the fight against climate change, up 10pp vs 2022

**Extended digital strategies needed**
- 97% have digital strategies in place, but only 35% include ecosystems.
Digital leaders in Property & Casualty Insurance

When comparing insights from the 39% producing results from digital strategies (digital leaders) to those building or launching digital strategies (digital aspirants), common attributes emerge.

For digital leaders in P&C Insurance, alignment is key for agility, but legacy systems have a significant impact.

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<th>Digital leaders</th>
<th>Digital aspirants</th>
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</thead>
<tbody>
<tr>
<td>Cite high impact of digitization on business models</td>
<td>94%</td>
<td>73%</td>
</tr>
<tr>
<td>Closely align business and IT operations to support strategy</td>
<td>69%</td>
<td>31%</td>
</tr>
<tr>
<td>Closely integrate business and IT operations to execute strategy</td>
<td>63%</td>
<td>31%</td>
</tr>
<tr>
<td>Have highly agile business models</td>
<td>39%</td>
<td>8%</td>
</tr>
<tr>
<td>Use more managed services for IT infrastructure</td>
<td>52%</td>
<td>18%</td>
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</table>
5 recommendations for advancing top priorities

1. Align business and IT priorities to enable digital and back-office system modernization.

2. Address legacy policy and claims systems to deliver a seamless digital experience.

3. Responsibly leverage AI in underwriting, claims and servicing to retain and attract talent.

4. Streamline compliance, regulation and ESG reporting using automation and data.

5. Leverage partner models as strategic enablers to navigate legacy and resource challenges.

At CGI, we help insurers deliver a seamless customer experience through core platform modernization and digital transformation.

Learn more

Meet with our experts about these insights.

Schedule a discussion

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